

**CROSS TIMBERS WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
2032 E HICKORY HILL RD, ARGYLE, TX 76226
MONDAY, OCTOBER 12, 2020**

1. Call to Order

Mr. McDonald called the meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:02 p.m. on Monday, October 12, 2020, at the Cross Timbers Water Supply Corporation's offices, 2032 E Hickory Hill Rd, Argyle, TX 76226.

Directors in Attendance:

Patrick McDonald, President
Michael Paulson, Secretary-Treasurer
Garry Granger
Andre Nicholas
Sherry Price

Staff in Attendance:

Chad Wolf, General Manager
Rocky Hatfield, Water Superintendent
Lloyd Hanson, Controller

Consultants in Attendance:

Kerry Maroney, P.E., Biggs & Mathews

Others in Attendance

None

Board Members Not in Attendance

Larry Kaufman, Vice President

2. Public Forum for Non-Agenda Items – No one spoke.

Consent Agenda

3. Discussion and Action to Approve the Minutes of the September 21, 2020 Board Meeting

4. Discussion and Action to Approve the September 2020 Financial Reports

Motion by Michael Paulson and second by Sherry Price to approve the Consent Agenda. Motion approved unanimously.

5. Discussion and Action on the 2021 Budget

Staff reviewed the second version of the Budget for 2021 with the Board and provided information and answered questions related to the revenue and expenses. A final 2021 Budget will be prepared based on the discussions and voted upon in the November Board Meeting. No action taken.

6. Discussion and Action on Well Costs

General Manager Wolf and Engineer Maroney presented information on the current status of the water capabilities of the system and outlined various estimated growth scenarios for the next decade. Based upon growth anticipated

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over that decade, the Board has taken under consideration options for additional well capacity to ensure an adequate supply of water to accommodate the growth. No action taken.

7. Discussion and Action on the Waketon Road Water Line

The Waketon Road is scheduled to be rebuilt beginning in early 2021. The water lines located in the construction area are two and three inch in size, of an older class of pipe, and are located too close to the surface. They will conflict in multiple locations with the road widening and the drainage planned for the new road. Mr. Maroney and Mr. Wolf reviewed the current proposal for upgrading the water line and locating it within the new road right-of-way. In addition, a small section of older pipe on Chinn Chapel Road that connects to the line on Waketon Road will need to be replaced based on the latest construction documents. The Board had approved a budget of \$528,500 and will need to increase it by \$31,500 to cover the additional construction. Motion by Michael Paulson and second by Andre Nicholas to increase the budget to \$560,000. Motion approved unanimously.

8. Discussion and Action on the Construction of the Elevated Water Tank

The elevated water tank construction is now complete, and the tank has been filled with water and two of the three water samples have passed bacteriological testing. A final test is expected to pass this week and the tank will be put into production within the week. The last parts for the diverter valve are expected to be put in within the next week and then SCADA will be added. Staff are moving some parts and supplies from the warehouse to the elevated tank interior storage to free up warehouse space for other work. No action taken.

9. Discussion and Action on the Well at Simmons Road

The Board reviewed and discussed an invoice for engineering work done at the site. Motion by Andre Nicholas and second by Sherry Price to approve \$67,500 for engineering services at the Simmons Road location. Motion approved unanimously.

10. Discussion and Action on the General Manager's Report

Mr. Wolf provided the Board updates on the progress of talks with Copper Canyon on sewer service, updates from the Texas Attorney General related to eminent domain actions, and any financial impacts from the COVID 19 pandemic on operations. No action taken.

11. Discussion and Action on the Water Superintendent's Report

The Water Superintendent provided updates on operations in the area, the construction of the new water lines on Chinn Chapel, Mobile and Blackjack, and training classes for the Staff. No action taken.

12. Discussion and Action to Accept the Chinn Chapel Road Water System Improvements

The construction of the water system improvements is considered substantially complete. The contractor has provided a one-year Maintenance Bond to the Corporation related to the construction. Staff and the Engineer recommend the Corporation accept the water lines. Motion by Michael Paulson and second by Andre Nicholas to accept the Chinn Chapel Road Water System Improvements. Motion approved unanimously.

13. Discussion and Action on Future Agenda Items, Meeting Date, Activities, and Announcements

The next meeting of the Board will be November 16, 2020. Items will include construction, financials, analysis of the sanitary easement required at Simmons Road for a new well, Sewer CCN, approval of the 2021 budget, and other

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items. With the resignation of Susan Crawford from the Board, Staff were directed to place a notice of a vacancy on the Board of Directors on the Corporation's web site.

14. Adjournment

Motion to adjourn by Michael Paulson and second by Garry Granger and approved unanimously. The meeting adjourned at 8:33 p.m.

TRANSCRIBED BY LLOYD HANSON, CONTROLLER

CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER