

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, NOVEMBER 16, 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  
Larry Kaufman, Vice President  
Garry Granger  
Andre Nicholas  
Sherry Price

**Staff in Attendance:**

Chad Wolf, General Manager  
Lloyd Hanson, Controller

**Consultants in Attendance:**

None

**Others in Attendance**

None

**Board Members Not in Attendance**

Michael Paulson, Secretary-Treasurer

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

**Consent Agenda**

**3. Discussion and Action to Approve the Minutes of the October 12, 2020 Board Meeting**

**4. Discussion and Action to Approve the October 2020 Financial Reports**

Motion by Garry Granger and second by Andre Nicholas to approve the Consent Agenda. Motion approved with Larry Kaufman abstaining on the Minutes.

**5. Discussion and Action on the 2021 Budget and Water Rates**

Staff reviewed the Budget for 2021 with the Board and provided information and answered questions related to the revenue and expenses. Staff also provided a Capital Improvements Plan for 2021. Staff recommended an increase in the Base Fee from \$39.40 to \$40.00 in response to the increased water demand fee increases from Upper Trinity Regional Water District. Motion by Larry Kaufman and second by Sherry Price to approve the 2021 Budget and Capital Improvements Plan. Motion approved unanimously. Motion by Garry Granger and second by Andre Nicholas to approve the water rates for 2021. Motion approved unanimously.

**6. Discussion and Action of the Benefits Plan for 2021**

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, NOVEMBER 16, 2020**

---

General Manager Wolf provided details about the renewal costs for the benefits plans and answered questions on cost, coverage, and expected use of the plans. Motion by Andre Nicholas and second by Garry Granger to approve the healthcare, dental and life insurance proposals for 2021. Staff also discussed adding a vision plan to the program for 2021 as it provides an additional benefit at minimal cost. Motion by Sherry Price and second by Garry Granger to approve adding vision plan coverage to the benefits program. Employees requested that the Board consider a Flexible Spending Account (FSA) funded by the employees for 2021. This would involve no additional cost for the corporation, and it can be administered without further cost. Motion by Andre Nicholas and second by Sherry Price to approve establishing an FSA for employees to utilize. All motions were approved unanimously.

**7. Discussion and Action on the Sewer CCN**

Staff presented information obtained from Flower Mound and Copper Canyon about treatment services for applying for a Sewer CCN from the Public Utilities Commission (PUC). Initial documents have been reviewed and comments sent to the Town of Flower Mound. Copper Canyon is reviewing the agreements and providing their comments to Flower Mound and Cross Timbers WSC. Once all comments and a draft agreement have been received, Staff will provide the Board with the documents to review and have an attorney review them for compliance with the intent of the parties. Engineer Kerry Maroney has indicated that the documents as presented would enable the Corporation to apply to the PUC for our certificate. There currently is one party receiving sewer services through the agreements with Copper Canyon. Staff will continue to keep the Board advised of any action needed on their part.

**8. Discussion and Action on the Well at Simmons Road**

Engineer Maroney recommended that no further costs be incurred on this well until the Board has decided on moving forward with a new well. The Board asked that a Sanitary Easement Survey be completed for next Board Meeting so a decision can be reached. Staff will have that prepared for the December Board Meeting.

**9. Discussion and Action on the General Manager's Report**

Mr. Wolf provided the Board updates on the progress of construction, the settlement of water agreements affecting UTRWD, information on personnel matters, and any financial impacts from the COVID 19 pandemic on operations. No action taken.

**President McDonald called the Board into Executive Session related to Personnel Matters in accordance with Texas Government Code §551.074 at 8:08 p.m. Mr. Wolf and Mr. Hanson were excused during this time. President McDonald called the Board back into open session at 8:18 p.m.**

**10. Discussion and Action on the Water Superintendent's Report**

General Manager Wolf presented the Water Superintendent report on operations in the area, the construction of the new water lines on Waketon, and the status of the system with the new elevated water tank. Staff requested the Water Superintendent's report be incorporated into the General Manager's report going forward. No action taken.

**11. Discussion and Action to the Appointment of a New Board Member**

Staff and the Board discussed the ideal criteria for filling the open position on the Board. Staff provided some examples of skill sets available among the Membership as examples. The Board directed the Staff to continue to seek out Members that may be interested in this voluntary position. No action taken.

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

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, NOVEMBER 16, 2020**

---

The next meeting of the Board will be December 14, 2020. Items will include construction, financials, Sewer CCN, appointment of a Credential Committee for the 2021 Annual Meeting, appointment of an Auditor, and other items.

**13. Adjournment**

Motion to adjourn by Larry Kaufman and second by Garry Granger and approved unanimously. The meeting adjourned at 8:26 p.m.

---

TRANSCRIBED BY LLOYD HANSON, CONTROLLER

---

CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER