

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, JANUARY 18, 2021**

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**1. Call to Order**

Mr. McDonald called the meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:00 p.m. on Monday, January 18, 2021, 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  
Michael Paulson, Secretary-Treasurer  
Garry Granger  
Andre Nicholas  
Rick Beutter

**Staff in Attendance:**

Lloyd Hanson, Controller

**Consultants in Attendance:**

Kerry Maroney, P.E.

**Others in Attendance**

**Board Members Not in Attendance**

Sherry Price

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

**Consent Agenda**

**3. Discussion and Action to Approve the Minutes of the December 14, 2020 Board Meeting**

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

Motion by Michael Paulson and second by Andre Nicholas to approve the Consent Agenda. Motion approved unanimously.

**5. Discussion and Action to Approve the Restricted Cash Account**

Staff reviewed the receipt and disbursement of restricted cash funds for the year 2020 and for the past 17 years. Receipts for the year totaled approximately \$800,000 and disbursements total \$2.2 million. Motion by Larry Kaufman and second by Michael Paulson to transfer \$550,000 from the operating account to the Restricted Cash Account for the year ended December 31, 2020. Motion approved unanimously.

**6. Discussion and Action on an RV Park and to Approve Changes to the Tariff**

A developer is reviewing plans with the Corporation to develop 26 acres into an RV Park. Karry Maroney, P.E., has reviewed the plans and provided recommended changes to the water supplies. The Corporation's Tariff does not contain rates for an RV Park. Staff recommended a new section be added to the Tariff for RV Parks listing a

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base fee and tiered rates to be charged. Motion by Michael Paulson and second by Larry Kaufman to approve the new RV Park section with rates be added to the Tariff and filed with the State. Motion approved unanimously.

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

Engineer Kerry Maroney provided background and information for obtaining a Sanitary Easement for the proposed well as Simmons Road. Staff and Mr. Maroney were directed to perform a survey and prepare documents to obtain a sanitary easement for this site. No other action taken.

**8. Discussion and Action to Accept the Water Lines for Phase 2 of Copper Creek Estates.**

Staff have inspected the bacteriological testing and site development of the water lines at this location and confirm the lines are in accordance with CTWSC construction standards. The contractor has provided a one year maintenance bond for the water lines. Motion by Andre Nicholas and second by Rick Beutter to accept the Phase 2 water lines at Copper Creek Estates. Motion approved unanimously.

**9. Discussion and Action to Approve Construction of the Dove Creek Water Line**

Cross Timbers Water have two dead end water lines serving Hat Creek and Saddlebrook Estates. The land between the two developments is served by Argyle Water Supply Corporation. Cross Timbers would propose connecting the two lines to improve water service to both communities and to improve fire protection. The water lines would be located in the Dove Creek Road right-of-way, so no separate easements are needed. Argyle WSC has no objections to this and the parties have agreed upon a Memorandum of Understanding related to the construction of a water line across Argyle WSC's CCN territory. Motion by Michael Paulson and second by Andre Nicholas to approve construction of a water line at a cost of approximately \$129,348.02. Motion approved unanimously. Motion by Andre Nicholas and second by Rick Beutter to approve the Memorandum of Understanding between Argyle WSC and Cross Timbers WSC. Motion approved unanimously.

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

Mr. Hanson provided the Board updates on the Sewer CCN; construction projects on Chinn Chapel North and Waketon Road; potential changes to how the Corporation obtains water lines dedicated to the corporation by developers when the property is considered a private neighborhood; and upcoming legislative bills that may affect Water Supply Corporations. Mr. Nicholas provided background information on accepting water lines and asked for an update at the February Board Meeting. No action taken.

**11. Discussion and Action on Items for the 2021 Annual Meeting**

There are three Board Members up for re-election in 2021 – Patrick McDonald, Sherry Price, and Andre Nicholas. All have indicated a desire to run for re-election. The application period will begin February 20, 2021 and run through March 12, 2021 at noon. The Board reviewed the documents and a motion by Garry Granger and second by Michael Paulson to approve the documents with a correction to show Chad Wolf as the contact point. Motion approved unanimously.

**12. Discussion and Action to Accept the Copper Canyon Franchise Fee Agreement**

Copper Canyon has passed an Ordinance to renew the Franchise Fee Agreement with Cross Timbers WSC beginning in 2021 and ending in 2026. The Ordinance requires that Cross Timbers WSC accept the Ordinance. Motion by Andre Nicholas and second by Michael Paulson to accept the Copper Canyon Franchise Fee Agreement. Motion approved unanimously.

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

The next meeting of the Board will be February 15, 2021. Items will include construction, financials, Sewer CCN, the well at Simmons Road, Annual Meeting items, updates on easements on private land, construction of the RV Park, and other items.

**14. Adjournment**

Motion to adjourn by Larry Kaufman and second by Garry Granger and approved unanimously. The meeting adjourned at 8:11 p.m.

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TRANSCRIBED BY LLOYD HANSON, CONTROLLER

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CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER