

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, FEBRUARY 15, 2021**

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**1. Call to Order**

Mr. McDonald called the February meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:00 p.m. on Monday, March 15, 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  
Sherry Price  
Rick Beutter

**Staff in Attendance:**

Chad Wolf, General Manager  
Lloyd Hanson, Controller

**Consultants in Attendance:**

Dan Tonn, Auditor

**Others in Attendance**

**Board Members Not in Attendance**

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

**Consent Agenda**

**3. Discussion and Action to Approve the Minutes of the January 18, 2021 Board Meeting**

**4. Discussion and Action to Approve the January 2021 Financial Reports**

Motion by Andre Nicholas and second by Larry Kaufman to approve the Minutes of the January 18, 2021 Board Meeting. Motion approved with Sherry Price abstaining. Motion by Larry Kaufman and second by Garry Granger to approve the January 2021 Financial Reports. Motion approved unanimously.

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

Staff identified a change to the Budget for 2021. Depreciation for the year had not accounted for all the new projects going into production throughout the year. Staff recommended that the 2021 Budget be adjusted for the increase in depreciation expense by adding \$75,000 to the Budget. This will result in no changes to any other item on the Budget nor will it affect the rates for the 20212 year. Motion by Garry Granger and second by Rick Beutter to approve the change in the 2021 Budget. Motion approved unanimously.

**6. Discussion and Action on an RV Park**

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Documents received from the Developer indicate that all spaces in the RV Park being developed will be considered transitory and will have no adverse impact on the way the Corporation counts meters. Discussion with the Engineer for the park confirmed this approach. No action taken.

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

A request has been made to the TCEQ regarding the need for a sanitary easement from TXDOT since part of the proposed well sanitary easement would include the property owned by TXDOT. A previous sanitary easement was still in place, but it does not cover the proposed new location. The survey for the easement was underway. No other action taken.

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

Mr. Wolf provided details on the TCEQ inspection planned, the control valve needed to better control water distribution between the two elevated tanks, and the COVID cases that had taken place among the staff. No action taken.

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

The applications for new Board Member had been posted to the web site. All applications are due by March 12, 2021. No action taken.

**10. Discussion and Action on Franchise Fees**

Copper Canyon has several developments in the Town wherein the roads, right-of-way, and easements are not transferred to the Town. Since CTWSC water lines are located within those roads, easements and right-of-way, Staff inquired whether Franchise Fees were due to the Town. The Franchise Fee Agreement indicates that franchise fees are due from CTWSC when our water lines are within their properties. The Town Administrator and Attorney provided an interpretation that franchise fees are due as long as the water lines are in the Town limits. No action taken.

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

The next meeting of the Board will be March 15, 2021.

**12. Adjournment**

Motion to adjourn by Larry Kaufman and second by Mike Paulson and approved unanimously. The meeting adjourned at 7:17 p.m.

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TRANSCRIBED BY LLOYD HANSON, CONTROLLER

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CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER