

**CROSS TIMBERS WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
2032 E HICKORY HILL RD, ARGYLE, TX 76226
MONDAY, MAY 17, 2021**

1. Call to Order

Mr. McDonald called the May meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:00 p.m. on Monday, May 17, 2021, 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
Rick Beutter

Staff in Attendance:

Chad Wolf, General Manager
Lloyd Hanson, Controller

Consultants in Attendance:

None

Others in Attendance

Scott Doores – Copper Canyon

Board Members Not in Attendance

Larry Kaufman, Vice President
Sherry Price

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

Consent Agenda

3. Discussion and Action to Approve the Minutes of the April 19, 2021 Board Meeting

4. Discussion and Action to Approve the April 2021 Financial Reports

Motion by Andre Nicholas and second by Rick Beutter to approve the Consent Agenda. Motion approved unanimously.

The Board Address Agenda Item 8 at this point. See below for discussion and action.

5. Discussion and Action to Approve the Equity Buy-In for 2021

Staff presented the calculation of the Equity Buy-In based on the 2020 Audit. This calculation is reviewed each year upon completion of the Annual Audit and is used as the basis for the Equity Buy-In for new Members requesting water service and a meter. The Board discussed the calculation methodology and recommended changes to the calculation to align it with the Texas Rural Water Association's suggested methodology. The Board reviewed the results of the calculation and chose not to make any adjustment to the existing fee for 2021. The Equity Buy-In fee has remained the same since 2014. Motion by Andre Nicholas and second by Garry Granger to keep the Equity

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Buy-In fee at the current rate of \$7,262.00 for the 2021 year and to use the updated calculation for future calculations. Motion approved unanimously.

6. Discussion and Action to Accept the Water Lines for Boots Ranch Subdivision.

Staff have received a bill of sale and a maintenance bond for this subdivision and recommended acceptance of the water lines. Motion by Michael Paulson and second by Andre Nicholas to accept the water lines at Boots Ranch. Motion approved unanimously.

7. Discussion and action to Accept the Water Lines for Vickery Pasrk Phase 1A and 1B.

Staff have received a bill of sale and a maintenance bond for this subdivision and recommended acceptance of the water lines. Motion by Michael Paulson and second by Andre Nicholas to accept the water lines at Boots Ranch. Motion approved unanimously.

8. Discussion and Action on a Request for a Water Meter for the Chinn Chapel Cemetery

Mr. Scott Doores presented a request from Copper Canyon residents who are restoring the Chinn Chapel Cemetery. He gave the background on the cemetery, the planned restoration, and the need for water service at the property. The Board asked about the Non-Profit Corporation that is in charge of the cemetery, how the Non-Profit was involved, and what was being requested from them. Mr. Doores asked if a water meter could be given at no cost for use at the cemetery and for no charge for water. Staff provided information that a road bore would be required for that location in order to connect to the existing water lines. The Board indicated they would review the request and determine what, if anything, could be done. Mr. Doores left the meeting at that point. The Board discussed the implications of providing a free water meter and free water service and the implication it has on our Tariff and Bylaws. After extensive discussions, the Board reviewed several options that may assist the parties doing the restoration. Motion by Andre Nicholas and second by Michael Paulson to have the Non-Profit Corporation sign an agreement that they would pay for the road bore, the meter installation, and the monthly bills for water use; that the water meter would remain the property of Cross Timbers WSC; that the Non-Profit Corporation would not become a Member; and that as long as monthly bills were paid timely, water service would be available at the location. Motion approved unanimously.

9. Discussion and Action on the Sewer CCN

Staff have received some requests for sewer service should it become available; these can be used in the application for a Sewer CCN. Staff will re-open discussions with the Town of Double Oak regarding taking over their sewer arrangement with Upper Trinity Regional Water District. Staff are working on completing the application. No action taken.

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

Mr. Wolf provided details on the Risk and Resilience Assessment and Emergency Response Plan for the Board. He updated the Board on the Dove Creek Loop water line construction, the Chinn Chapel water line construction, installation of Post Fire Hydrants in Double Oak, the elevated tank control valve, and classes and licenses being obtained by the staff.

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

The next meeting of the Board will be June 14, 2021. Agenda items may include construction, financials, tax return filing, Stonewood Well operations, and such other items as may be required.

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12. Adjournment

Motion to adjourn by Andre Nicholas and second by Rick Beutter and approved unanimously. The meeting adjourned at 8:10 p.m.

TRANSCRIBED BY LLOYD HANSON, CONTROLLER

CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER