

LAKE KIOWA SPECIAL UTILITY DISTRICT
133 KIOWA DRIVE SOUTH
LAKE KIOWA, TEXAS 76240
(940-668-8391)

DATE: September 12, 2012

TIME: 9:02

PLACE: 133 KIOWA DRIVE SOUTH, LAKE KIOWA, TEXAS 76240

1. **Call to Order:** President Jess Maxwell called the meeting to order at 9:02 a. m. Staff members present: General Manager Ronny Young and LKSUD Attorney James Wilson were present.
2. **Welcome and Recognition of Visitors:** Don Wortham from the engineering firm of CobbFendley.
3. **Public Comments:** None
4. **Established Quorum:** Board members present: Jess Maxwell, Jack Thies, John Anselmi, Bill White, Joanne Dorsch, Margaret Dressel and Bill Richey. President Maxwell determined a quorum of the board was present.
5. **Approval of minutes from previous meeting:** Jack Thies made a motion to approve the minutes of August 8, 2012 board meeting, which was seconded by Bill White and passed unanimously.
6. **Consideration and possible action on acceptance of Hydrology Study from CobbFendley:** Don Wortham representing CobbFendley gave the following report. There are 1241 customers, 4 wells, averaging 1500 ft. deep, pipe size 4, 6, 8, and 10 inch in diameter, with 3 pump stations. Pressure readings were recorded with lowest pressure reading 39 psi and highest reading 83 psi. Motion to approve acceptance of the study and issue a letter of intent to hire CobbFendley to complete a Capital Improvement Project Plan was made by Bill Richey, seconded by Jack Thies. The motion was approved unanimously.
7. **General Managers report:** During the month of August there were electrical storms which caused damage to motors in our wells and distribution pumps. Our insurance company and Cooke County Electric have been notified. Water breaks continue to be a problem. No new taps were installed for the month of August but the employees were kept very busy in the field and with customers not complying with the Drought Contingence Plan. The final audit on Kiowa Homeowners Water Supply Corporation has been completed and will be presented at the next KHWSC called board meeting.

8. **Consideration and possible action approval of invoices and payment of bills:** Ronny presented the monthly invoices and a motion was made by Jack Thies and seconded by Bill White and all approved unanimously.
9. **Consideration and possible action on items concerning SUD formation:** Passage of the resolution per legal council recommendation. Motion made by Jack Thies, seconded by Bill White and all approved unanimously.
10. **Consideration and possible action on Resolution 2012-008 establishing an Investment Policy and appointment of an Investment Officer:** Jack Thies made a motion to approve Resolution 2012-008 establishing an Investment Policy and appointing our General Manager as the Investment Officer. It was seconded by Bill White and all approved.
11. **Consideration and possible action on Resolution 2012-009 to authorize a General Manager to manage and operate affairs:** Jack Thies made a motion to approve Resolution 2012-009 authorizing Ronny Young to be our General Manager to manage and operate the affairs of the District. It was seconded by Joanne Dorsch and all approved.
12. **Consideration and possible action on Resolution 2012-010 to approve retaining the legal firm of Rapier, Wilson, & Wendland to serve as general legal counsel:** Motion was made by Jack Thies to approve Resolution 2012-010 retaining Rapier, Wilson, & Wendland to serve as legal counsel for the LKSUD. It was seconded by Bill Richey and all approved
13. **Consideration and possible action on Resolution 2012-011 to establishing an annual limit on fees for Directors participation:** Bill White made a motion to approve Resolution 2012-011 establishing the annual limit on fees for directors' participation at \$0.00. The motion was seconded by Jack Thies and all approved.
14. **Consideration and possible action on Resolution 2012-12 adopting a Code of Ethics, Adopting policies and procedures governing travel expenditures, selection of professional consultants, use of management information and an Audit Committee, and certain other matters, Resolution attachments A, B, C, and D:** Motion was made by Jack Thies to approve Resolution 2912-12 and it was seconded by Margaret Dressel. All approved.
15. **Consideration and possible action on customers with multiple deposits:** Discussion concerning making changes to deposits required by customers with multiply connections followed, a consensus was had to leave as is. Motion made by Bill White seconded by Joanne Dorsch. All approved

16. **Update from North Texas Groundwater conservation district:** Manager Ronny Young, who is currently the President of the North Texas Groundwater Conservation District, gave a short report noting that there will be a meeting in Gainesville on September 18, 2012 at the Gainesville City Hall on Rusk Street. He also stated that the next three monthly meetings would be held in Cooke County and anyone may attend. The meetings are scheduled to begin at 9:30 am.

17. **Discussion of any agenda items to be included in future meetings.** Attorney James Wilson advised that we should look into having an assistant secretary. There will also be additional Resolution to be brought before the board as well as an amended Rate Order.

18. **Meeting adjournment:** Motion to adjourn at 10:50 a.m. was made by Jack Thies, seconded by Bill White. All approved.

Respectfully submitted,

John R. Anselmi, Sec.