



## TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT 17

3812 Eck Lane • Austin, Texas 78734  
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*A Regular Meeting of the Board of Directors of Travis County Water Control and Improvement District No. 17 was held at the District office located at 3812 Eck Lane on Thursday, December 18, 2008, at 6:00 p.m. This meeting was scheduled and conducted in compliance with the Texas Open Meetings Act.*

### **I. CALL TO ORDER.**

Director Steed called the meeting to order at 6:08 p.m.

### **II. ESTABLISH A QUORUM.**

Directors Steed, Roberts, Moran, Ward and Tuerff were present. General Manager Deborah Gernes, General Counsel Lauren Kalisek and David Klein, District Engineer Pat Lackey and District Financial Advisor Garry Kimball were also present.

### **III. MANAGER AND COMMITTEE REPORTS.**

*Items in this section may or may not be addressed at each meeting.*

#### **A. MANAGER'S REPORT- A STATUS REPORT REGARDING ONGOING DISTRICT PROJECTS AND INFORMATION TO THE BOARD INCLUDING:**

##### **1. Water and Wastewater Plant Status and Operations:**

- a. Eck Lane Water Treatment Plant/Water Distribution System
- b. Steiner Wastewater Treatment Plant/System
- c. Flintrock Wastewater Treatment Plant/System
- d. Comanche Wastewater Treatment Plant/System

##### **2. District Construction Projects**

Director Moran requested an update on the Hudson Bend Road project. Ms. Gernes said that work on the water main replacement had begun and that rock saw work would begin Friday, 12/19/08 for new trenches. Director Roberts inquired if the county was going to repave Eck Lane because of the reflectors in the road, and Ms. Gernes said she was not sure. Director Steed said that the reflectors stuck along the roadway are an indicator of restriping.

##### **3. Developer Construction Projects**

##### **4. District Initiatives:**

- a. Service to New Areas
- b. Trash and Recycling Collection
- c. Recycling Center Establishment
- d. Household Hazardous Waste Collection
- e. Composting Center
- f. Deep Well Injection of Effluent
- g. Water Conservation
- h. Property/Easement Acquisition
- i. Annexation of Properties

##### **5. District Management:**

- a. Personnel Issues
- b. District Activities
- c. Consultant Issues
- d. Finance Reports/Audit/Bonds
- e. Security
- f. Customer Communication/WEB/Newsletter/Events

#### **B. COMMITTEE REPORTS**

1. PARKS AND CONSERVATION COMMITTEE REPORT.
2. COMMUNICATIONS COMMITTEE REPORT.
3. LEGAL COMMITTEE REPORT.
4. PLANNING COMMITTEE REPORT.
5. BUDGET AND FINANCE COMMITTEE REPORT.
6. POLICY COMMITTEE REPORT.
7. IMPACT FEE ADVISORY COMMITTEE.

**IV. CONSENT AGENDA:**

**A. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE DISTRICT:**

1. 2004 WTP Improvements, Phase Two, Clearwell and High Service Pump Station, Pay Estimate #18 – Final, Payton Construction, Inc.
2. Hudson Bend Area Water Line Improvements, Pay Estimate #4 and Change Order #1, M.B. Bender Co., Inc.
3. Murfin Road Waterline, Pay Estimate #1, J.C. Evans Construction Co, LP.

**B. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE STEINER RANCH DEFINED AREA:**

1. Steiner Ranch Phase 1, Section 10D-1A, Water, Wastewater and Drainage Improvements, Pay Estimate # 2, Ross Construction, Inc.,
2. Steiner Ranch River Dance Phase 7A-1, Water, Wastewater and Drainage Improvements, Pay Estimate #3, Schroeder Construction Co., Ltd.

**C. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE SERENE HILLS DEFINED AREA:**

1. Serene Hills, Phase 1A & 1B, Pay Estimate #3 and Change Order #1, J.C. Evans Construction Co, LP.

**D. APPROVE PAYMENT OF CURRENT INVOICES.**

**E. APPROVE MINUTES.**

Director Steed asked for any questions or discussion regarding the pay estimates/change orders, current invoices and the two sets of minutes from the Regular Board Meeting, November 20, 2008 and the Special Board Meeting, December 4, 2008. He then requested to hold off on approval of the two sets of minutes until a further review could be done.

**Motion:** Director Moran to approve the pay estimates, change orders, and current invoices as presented.

**Second:** Director Roberts.

Ayes: 5

Noes: 0

Unanimous.

**V. PUBLIC COMMENT, 6:30 P.M.**

Director Steed opened Public Comment at 6:42 P.M. but no one was present at the time. Director Steed left the Public Comment open to allow for anyone that arrived late the opportunity to address the Board. Public Comment was closed with the motion regarding item VI.

**VI. PUBLIC HEARING, 6:45 P.M. REGARDING THE PROPOSED UPDATES TO THE DISTRICT'S CAPITAL IMPROVEMENTS PLAN, LAND USE ASSUMPTIONS, AND IMPACT FEES FOR SOUTH DISTRICT WASTEWATER SYSTEM AND DISTRICT-WIDE WATER SERVICE.**

Director Steed opened the Public Hearing at 6:45 P.M.. No one was present so Director Steed left the Public Hearing open to allow anyone that arrived late the opportunity to address the Board.

**Motion:** Director Tuerff to close the Public Comment Session and Public Hearing regarding the proposed updates to the District's Impact Fees for South District Wastewater System and District-Wide Water Service.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

Director Steed closed the Public Comment and first Public Hearing at 7:00 P.M.

**VII. PUBLIC HEARING, 7:15 P.M., REGARDING THE PROPOSED SUBSEQUENT USER FEE FOR THE COMANCHE CANYON RANCH WASTEWATER SYSTEM.**

Director Steed opened the Public Hearing at 7:15 P.M. Ms. Gernes gave an overview of the Comanche Canyon Ranch Wastewater System that was constructed to serve a development along Oasis Pass and a small area along RR 620. This small plant treats and pumps wastewater to the City of Austin Interconnect near Bullock Hollow and RR 620. The City of Austin (COA) purchased a large portion of the Comanche Canyon Ranch property from the developer that will no longer be improved as residential. This change in the land use leaves additional capacity for customers

outside the Planned Unit Development (PUD) of Comanche Canyon Ranch and within the Comanche Canyon Wastewater service boundary. The Subsequent User Fee and Area are being established to allow the developer to recover capital expenses for the plant, collection system and lift station which serves users outside of the development. A user outside of the PUD must make application for service and also pay for the tie-in or extension of the wastewater line to their property as well as the subsequent user fee.

Director Steed inquired about the COA's pump station requirements for wastewater and Ms. Gernes said that five LUEs, or less, should service the COA's needs, but that the COA has also mentioned a possible need for WCID 17 to help with disposing of their pump cooling water which wouldn't necessarily have to be treated before pumping into the interconnect. After this introduction, the hearing was opened for public questions.

Mr. John Murphy wanted to know what date was planned for an expansion of wastewater service to customers in Comanche Trail Phase 2 & 3, or was this optional? Ms. Gernes explained that WCID 17 has no plan to expand the wastewater line to the end of Comanche Trail at this time. However, should service be requested by enough customers, the plant could be expanded along with the extension of the wastewater mains. A feasibility study would need to be done regarding the design and cost, and a tax bond would be needed to fund the project. Mr. Murphy stated he was interested in wastewater service for four lots that he owns in these phases.

Mr. Gus Ferro requested an approximate cost per linear foot to extend wastewater service to residents on Lakeview Drive. Mr. Lackey said this was hard to predict but that the majority of the cost would be in a possible series of lift stations due to the change of elevation from the lake to the plant. He estimated that a single lift station could cost \$250,000.

Mr. Stuart King shared his concern about growth by saying that when the Comanche Canyon Ranch PUD was being developed, Mr. Theriot, the developer, told the neighborhood associations that the plant was only for the PUD, that no more capacity would be sold, and it would be "as is." Mr. King wanted WCID 17 to give assurance that this offering of service outside the PUD would not open the area up for more growth.

Director Steed again explained that because the City of Austin bought land from the Developer, there was now extra capacity in the plant. WCID 17 is not a zoning authority, but is here to provide water and wastewater service to residents within its' boundary. All of Comanche Trail is in the COA jurisdiction in regards to development permits, and the City would control density, not WCID 17.

Ms. Donna Ackman asked of the possibility that LCRA could come to the homeowners requiring upgrades to their existing, older septic systems. Director Steed replied that TCEQ regulations came into place in the early 90's and that systems installed prior to then most likely will have to make improvements when the current homeowner tries to sell the property. Property septic systems must pass inspections and Mr. Steed said age of septic systems could definitely become a factor. He said the LCRA only controls septic systems within 1000 feet of the lake, and the County Health Department controls the rest.

Mr. King further requested that the District notify a representative of their neighborhood, Donna Ackman, should anyone come to the District requesting service for a large development.

Mr. Ferro thanked the District for always providing excellent customer service.

**Motion:** Director Tuerff to close the Public Hearing.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

Director Steed closed the Public Hearing regarding the proposed Subsequent User Fee for the Comanche Canyon Ranch Wastewater System at 7:58 P.M.

**VIII. OLD BUSINESS:**

- A. DISCUSS/CONSIDER/TAKE ACTION REGARDING REQUEST BY HPK VENTURES, LTD. FOR WAIVER OF 30% DEVELOPER'S CONTRIBUTION REQUIREMENT FOR BOND ISSUE NO. 4.**

Ken Heroy, bond engineer for the developer, addressed the Board saying that the General Manager and developer have discussed mutual terms that both parties can agree to. Tentatively there will be no waiver of the 30% except for items that are central facilities, plus Phase 1, 2, 7, and off-sites that were submitted previously and approved at 100% in March 2006. If the compromise were approved, the developer would also receive an additional year of interest up to three years for projects which qualify. Mr. Heroy, Ms. Gernes and Mr. Lackey will study the numbers presented and have an amendment to the reimbursement agreement ready to bring before the Board in January, 2009. No action taken.

**B. DISCUSS/CONSIDER/TAKE ACTION ON ACQUISITION OF REAL PROPERTY PARCELS LOCATED WITHIN THE DISTRICT'S BOUNDARIES:**

1. **A 12.08 ACRE TRACT LOCATED AT LOTS 32, 35, AND 36 OF LA HACIENDA ESTATES;**
2. **AN APPROXIMATELY 0.73 ACRE PORTION OF THE 11.3053 ACRE LOHMAN'S CROSSING SHOPPING CENTER SUBDIVISION, LOT 1;**
3. **A 16.52 ACRE TRACT LOCATED AT LOT 1, BLOCK A, CREEKSIDE AT LAKEWAY; AND**
4. **REAL PROPERTY FROM LCRA LOCATED WITHIN THE DISTRICT'S BOUNDARIES NEARBY MANSFIELD DAM FOR THE NORTH SHORE TREATMENT PLANT PROJECT.**

These items were discussed in Executive Session. No action taken.

**C. DISCUSS/CONSIDER/TAKE ACTION ON ISSUANCE OF BOND ANTICIPATION NOTE FOR STEINER RANCH DEFINED AREA BOND ISSUE NO. 13.**

1. **Approve the Resolution Authorizing the Issuance, Execution, and Sale of Bond Anticipation Note, Series 2008 Prescribing the Terms and Conditions Thereof; Pledging the Proceeds from a Forthcoming Bond Issue for the Payment of the Principal and Interest Thereon; and Containing Other Provisions Relating to the Subject.**

General Manager Gernes requested that Garry Kimball update the Board on the steps that had been taken since the previous meeting. Mr. Kimball said he had sent the Bond Anticipation Note (BAN) package to three institutions and two have come back with bids, both with a 5.75% interest rate. One distinguishing feature of the Compass Bank bid was that they provided a standby commitment to purchase the bond in February should there not be any bids on the bond from the bond market. This would provide a high degree of security to the District because it would ensure the sale of the bond. In connection with this BAN review, a rating was done and the District received SP1+ from Standard and Poors, which is the highest short term debt rate. With this rating and the approval of the 2007 audit, Steiner Ranch rating has also moved up two notches from BBB to A-. Mr. Kimball recommended the Compass Bank bid at 5.75%. Director Steed asked if Compass Bank offered a rate on bonds and Mr. Kimball said they offered the same rate of 5.75% but with a shorter amortization of seven years. At the time of the actual bond sale, the rate will be based on the current market rates.

Ms. Kalisek distributed a copy of the resolution with revisions to incorporate Compass Bank. Language was added to the resolution that would allow the BAN to be transferrable to Compass Bank subsidiaries and the deletion of a reference made to "refunding" to "solely payable" from Bond proceeds that the District requested.

**Motion:** Director Moran to approve the Resolution Authorizing the Issuance, Execution, and Sale of Bond Anticipation Note, Series 2008 Prescribing the Terms and Conditions Thereof; Pledging the Proceeds from a Forthcoming Bond Issue for the Payment of the Principal and Interest Thereon; and Continuing Other Provisions Relating to the Subject.

**Second:** Director Ward

Director Tuerff requested to abstain from the vote, because his brother is an officer with Compass Bank.

Ayes: 4

Noes: 0

Abstained: 1, Tuerff

Unanimous.

2. **Approve the Reimbursement Audit for the Bond Anticipation Note.**

Ms. Terrell presented copies of the Reimbursement Audit and explained that the District Auditor, Maxwell Locke & Ritter (MLR) has reviewed the documents presented by the Developer in accordance to the approved bond sale by TCEQ. MLR has issued a

statement that the expense documents are all in order for reimbursement to Developer. The items included are infrastructure costs for various subdivisions within the development, water plant capacity fees, and engineering and permit fees associated with the projects, totaling \$12,173,572. As included in the Bond Application, \$265,000 in surplus funds from the Steiner Bond Issue #12 are to be applied to this total, leaving \$11,908,572 to be reimbursed through the issuance of the BAN. Ms. Terrell stated that the Engineering Report that is submitted with the Bond Application includes engineering fees as a percentage of the subdivision projects. As a result of examining the actual costs against the estimated engineering costs, a surplus of \$115,987 exists that will be placed into escrow for future reimbursement to the Developer. Mr. Kraatz stated that the surplus can also be used for interest payment of the BAN.

**Motion:** Director Moran to approve the Reimbursement Audit for the Bond Anticipation Note and to authorize disbursements as proposed in the Schedule B of disbursement.

**Second:** Director Roberts.

Ayes: 5

Noes: 0

Unanimous.

**3. Approve Utility Conveyance Agreements Associated with Projects Included.**

Ms. Kalisek stated this Utility Conveyance Agreement includes all projects associated with the projects included for reimbursement as approved by the auditors and will convey ownership to WCID 17 for all facilities the BAN funds will reimburse to the developer.

**Motion:** Director Moran to approve Utility Conveyance Agreements between WCID No. 17 and Taylor Woodrow Communities/ Steiner Ranch, Ltd. for discussed projects.

**Second:** Director Roberts.

Ayes: 5

Noes: 0

Unanimous.

**4. Authorize Disbursements to the Developer from Bond Anticipation Note Proceeds.**

This item was included with VIII.C.2.

**5. Authorize Disbursement of Surplus Funds from Steiner Ranch Defined Area Bond #12 to the Developer in Accordance with the Reimbursement Audit.**

Ms. Gernes said that the TCEQ order authorizes use of the \$265,000 surplus funds from Bond #12, to be applied to the total projects included in the Bond #13 application. Ms. Terrell recommended disbursement of these funds, plus any accrued interest to the developer as reimbursement.

**Motion:** Director Roberts to authorize the disbursement of surplus funds from Steiner Ranch Defined Area Bond #12 to the developer in accordance with the Reimbursement Audit.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

**IX. NEW BUSINESS:**

**A. SUBSEQUENT USER FEE FOR COMANCHE CANYON RANCH PLANNED UNIT DEVELOPMENT:**

**1. DISCUSS/CONSIDER/TAKE ACTION REGARDING THE SUBSEQUENT USER FEE AGREEMENT WITH ROBERT H. THERIOT.**

This agreement is the District's standard agreement used when a developer builds facilities and then has extra capacity to sell to other District customers. The District will bill and collect the Subsequent User Fee to reimburse part of the developer's capital outlay.

**Motion:** Director Tuerff to execute the Agreement Regarding Subsequent User Fees for Wastewater Facilities with Robert H. Theriot for Comanche Canyon Ranch Planned Unit Development.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

**2. DISCUSS/CONSIDER/TAKE ACTION ON AN ORDER SETTING THE SUBSEQUENT USER FEE FOR THE COMANCHE CANYON RANCH WASTEWATER SYSTEM .**

**Motion:** Director Tuerff to adopt an Order Setting the Subsequent User Fee for the Comanche Canyon Ranch Wastewater System at a rate of \$6037.

**Second:** Director Ward.

Ayes: 5

Noes: 0

Unanimous.

**B. ADOPT AN ORDER AMENDING THE DISTRICT'S CAPITAL IMPROVEMENTS PLAN, LAND USE ASSUMPTIONS, AND IMPACT FEES FOR THE SOUTH DISTRICT WASTEWATER SYSTEM.**

Ms. Gernes summarized that the recommendation from the Impact Fee Advisory Committee was to leave the South District Wastewater System Impact Fee at its' current rate of \$5,250. Even though the initial fee was set on estimated costs and the actual costs incurred would warrant an increase; all of the capacity in the current plant has already been sold and, any future changes with land purchase, plant equipment, etc., could dictate changes to this fee and the committee will reconvene at that time. No action taken.

**C. ADOPT AN ORDER AMENDING THE DISTRICT'S CAPITAL IMPROVEMENTS PLAN, LAND USE ASSUMPTIONS, AND IMPACT FEES FOR DISTRICT-WIDE WATER SERVICE.**

Ms. Gernes presented the Impact Fee Advisory Committee's recommendation to increase the District-Wide Water Service fee to \$3890, based on the National Construction Cost Index in September, unless the Board chose to use the current Local Construction Cost Index.

**Motion:** Director Roberts to adopt a District-Wide Water Service fee of \$3890 as recommended by the District's Impact Fee Advisory Committee.

**Second:** Director Ward.

Ayes: 5

Noes: 0

Unanimous.

**D. DISCUSS/CONSIDER/TAKE ACTION ON ACQUISITION OF DRAINAGE EASEMENT ON LEHMAN PROPERTY, ADJACENT TO THE DISTRICT'S WATER TREATMENT PLANT.**

Ms. Gernes reported that she had met with the attorney and Realtor representing Ms. Lehman and is waiting to hear from them regarding a decision on the District's request to have a water quality easement across all of the land that lies within the 500 year flood plain which is a large ravine leading to the cove and intake barge. Mr. Lackey explained that the District is most concerned about the water quality within the easement because the water flowing out of the ravine directly impacts the District's water intake. The District wants to have a means of protecting the runoff from debris and soluble material before it reaches the lake. Ms. Gernes said that the Lehman family asked if the District would approve a mooring easement for accommodation of a boat dock for their property as compensation for the easement the District is requesting from them. A discussion followed regarding the District policy of not allowing any dock within 1000 feet of the water intake barge. Mr. Lackey said that fuel and petroleum products upstream of the District water intake would not be good for the membrane system used by the District for water treatment. Director Steed recommended the possibility of giving the Lehmans water capacity in exchange for the easement instead of allowing any more boat docks upstream of the intake.

*Ms. Kalisek requested to adjourn to Executive Session to continue discussion. The Board entered Executive Session from 7:00 – 7:15 P.M.*

Ms. Alison Gardner of Stahl, Bernal & Davies, LLP, representing the Lehman's daughter, Sandy, said that she had met with the District about a month ago to see if there was a possibility of getting wastewater for the Lehman tract and that at that time, Ms. Gernes expressed interest in an easement on the property's undevelopable land. Ms. Gardner said she also asked Ms. Gernes about the possibility of getting a mooring easement for a boat dock and wanted to know how many slips they could request for permitting. Ms. Gernes told Ms. Gardner at that time she would need to take this request for a boat dock to the Board because of the location in respect to the District water intake.

Mr. Steed explained that after consideration, the Board was disinclined to allow boat dock permits in close proximity of the raw water intake due to water quality problems associated with boats such as fuels, fuel additives and oil spills. Not only are some of these products highly toxic but can cause havoc in the water plant membrane system. He suggested that as an alternative to buying the easement requested, the District could trade water capacity for it.

Ms. Gardner stated that with the property being for sale and not knowing what the next owner would use the property for makes it hard to know how much capacity would be needed.

Mr. Steed spoke of past conversations where Dr. Lehmann said the property would be a conservation tract and would not be developed, but Ms. Gardner said the title search did not show any conservation dedication and that the property was now owned by his descendants. Ms. Gardner said that she would need to go back to the Lehman family and let them know that a boat dock consideration is not on the table and get back with Ms. Gernes. She further stated that perhaps this easement should not be considered until a new owner has possession. Mr. Lackey explained again how it is to the District's best interest to be able to control this large water drainage area and preserve water quality in the water intake area for all customers. No action taken.

**E. DISCUSS/CONSIDER/TAKE ACTION ON ADOPTION OF DISTRICT'S BOND ANTICIPATION NOTE POLICY.**

Ms. Gernes reviewed the terms and conditions that the proposed Bond Anticipation Note Policy would allow and recommended adoption of the policy.

**Motion:** Director Roberts moved to adopt the District's Bond Anticipation Note Policy.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

**F. DISCUSS/CONSIDER/TAKE ACTION ON STRUCTURE LEASE AGREEMENT WITH AT&T MOBILITY TEXAS, LLC.**

Ms. Gernes presented a contract with AT&T Mobility Texas to allow them to install and maintain an antenna on the effluent tank in Steiner Ranch for \$18,000 per year, with a 3% increase in rent each year. This is a 25 year contract where notice to terminate after the initial 10 years can be executed if desired. After the initial 10 years, there are three more 5 year renewals on the contract. The contract allows for ground space to house electrical facilities and permission to install an antenna on the effluent tank.

**Motion:** Director Moran to authorize the General Manager to execute the lease agreement with AT&T Mobility Texas, LLC.

**Second:** Director Tuerff.

Unanimous.

**X. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEY REGARDING REQUEST BY HPK VENTURES, LTD. FOR WAIVER OF 30% DEVELOPER'S CONTRIBUTION REQUIREMENT FOR BOND ISSUE NO. 4 IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071.**

No Executive Session held; no action taken.

**XI. THE BOARD WILL MEET IN EXECUTIVE SESSION TO DELIBERATE THE ACQUISITION OF THE FOLLOWING REAL PROPERTY LOCATED WITHIN THE DISTRICT'S BOUNDARIES AND TO RECEIVE ADVICE FROM ITS ATTORNEY REGARDING SUCH PURCHASE, IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTIONS 551.071 AND 551.072:**

1. A 12.08 ACRE TRACT LOCATED AT LOTS 32, 35, AND 36 OF LA HACIENDA ESTATES;
2. AN APPROXIMATELY 0.73 ACRE PORTION OF THE 11.3053 ACRE LOHMAN'S CROSSING SHOPPING CENTER SUBDIVISION, LOT 1;
3. A 16.52 ACRE TRACT LOCATED AT LOT 1, BLOCK A, CREEKSIDE AT LAKEWAY; AND
4. REAL PROPERTY FROM LCRA LOCATED WITHIN THE DISTRICT'S BOUNDARIES, NEARBY MANSFIELD DAM FOR THE NORTH SHORE TREATMENT PLANT PROJECT.

Director Steed opened Executive Session at 8:58 P.M. and closed it at 9:15 P.M. No action taken.

**XII. THE BOARD WILL MEET IN EXECUTIVE SESSION TO DELIBERATE THE ACQUISITION OF A DRAINAGE EASEMENT ON LEHMAN PROPERTY, ADJACENT TO THE DISTRICT'S WATER TREATMENT PLANT, AND TO RECEIVE ADVICE FROM ITS ATTORNEY REGARDING SUCH PURCHASE, IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTIONS 551.071 AND 551.072.**

Director Steed opened Executive Session at 7:00 P.M. and closed it at 7:15 P.M. No action taken.

XIII. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEY REGARDING THE ADOPTION OF THE DISTRICT'S BOND ANTICIPATION NOTE POLICY IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071.  
No Executive Session held; no action taken.

XIV. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEY REGARDING THE ISSUANCE OF BOND ANTICIPATION NOTES FOR STEINER RANCH DEFINED AREA BOND ISSUE NO. 13 IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071.  
No Executive Session held; no action taken.

XI. ADJOURNMENT.

**Motion:** Director Ward to adjourn the meeting.

**Second:** Director Moran.

Ayes: 5

Noes: 0

Unanimous.

Director Steed adjourned the meeting at 9:15 p.m.

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2009, with a motion

by Director \_\_\_\_\_ and a Second by Director \_\_\_\_\_.

Ayes \_\_\_\_\_ Noes \_\_\_\_\_ Abstained \_\_\_\_\_

\_\_\_\_\_  
Presiding Officer

\_\_\_\_\_  
Secretary