

**MINUTES OF THE MEETING OF
FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

April 20, 2017

STATE OF TEXAS

COUNTY OF FORT BEND

The Board of Supervisors (the “Board”) of Fort Bend County Fresh Water Supply District No. 1 of Fort Bend County, Texas (the “District”), met in regular session, open to the public, on April 20, 2017, commencing at 6:00 p.m. at the Mustang Community Center, 4521 FM 521 North, Fresno, Fort Bend County, Texas, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to wit:

Paul Hamilton	President
Greg Fleck	Vice President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Rosa Linda Medina	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

Also present at the meeting were: David Dybala with Jacobs Engineering Group, Inc. (“Jacobs”), the District’s Engineer; Breah Campbell with Environmental Development Partners (“EDP”), Operator for the District; Phyllis Herbst, the District’s Bookkeeper; Felipe Gonzalez Hernandez, the District’s Tax Assessor; members of the public, the names of which are on the attached attendance sheet; and Ryan LaRue and Michael R. Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), the District’s Attorney.

The meeting was called to order and the following business was transacted.

1. BOOKKEEPER’S REPORT

The Board first considered the Bookkeeper’s Report presented by Ms. Herbst, a copy of which is attached hereto, and the invoices and checks presented for payment as follows:

A. Approval of Bills.

The Board reviewed the bills presented for payment.

B. Review Investment Report.

The Board reviewed the investment report.

C. Review Collateral Pledge Report.

No Collateral Pledge Report was given.

D. **Amended Budget.**

No amended budget was presented.

E. **Addendum to Bookkeeping Contract.**

The Board noted that the contract addendum was approved at the previous meeting.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to (1) accept the Bookkeeper's Report as presented; and (2) authorize the payment of the checks and invoices listed therein. Supervisor Carreon noted that he did not timely receive the invoices. The Board noted that the report should be delivered no later than the end of the day Monday prior to the meeting.

2. **TAX REPORT**

The President then recognized Mr. Hernandez, who presented to the Board the Tax Report.

Upon motion duly made by Supervisor Carreon, seconded by Supervisor Casher, the Board voted unanimously to approve the Tax Report.

3. **ATTORNEY'S REPORT**

The Board recognized Mr. Willis, who presented the Attorney's report as follows:

A. **Approval of Minutes.**

Proposed minutes of the regular meeting held on March 16, 2017 and the special meeting held on April 5, 2017, were presented for approval.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Carreon, the Board voted unanimously to approve the minutes of the meetings held on March 16, 2017 and April 5, 2017, as presented.

B. **Report on Certificates of Convenience and Necessity ("CCNs").**

No action was taken on the CCNs.

C. **Regional Plant Committee Report.**

Supervisor Hamilton presented to the Board the Regional Plant Committee Report.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the Regional Plant Committee Report.

D. **Regional Facilities Contract**

No action was taken in connection with the Regional Facilities Contract.

E. **Five Year Financing Plan**

No action was taken in connection with the Five Year Financing Plan.

F. **Application to TWDB**

No action was taken on this matter.

G. **Bond Election**

The Board then discussed holding town hall meetings for the Bond Election; one scheduled for 6:00 pm on April 5, 2017 and one scheduled for 6:00 pm on April 20, 2017, both at the Mustang Community Center.

H. **Arbitrage Report**

No action was taken in connection with this matter.

I. **Rate Order**

Consideration was then given to amending the District's Rate Order to address certain items proposed by EDP.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to approve the Amended Rate Order.

J. **Resolution Relating to Annual Review of Red Flags Policy**

Consideration was then given to a proposed Resolution Regarding Annual Review of Identity Theft Prevention Policy (the "Resolution"). At this time, the Board conducted a review of the Policy, noting that a report generated by the Operator in connection therewith indicated no recommended changes.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Casher, the Board voted unanimously to approve the Resolution. A copy of said Resolution is on file in the official records of the District.

K. **Resolution Regarding Unclaimed Property**

No action was taken on this matter.

L. **Annual Water Conservation Report**

No action was taken on this matter.

M. **Resolution Relating to Treasury Services**

Consideration was then given to a Resolution Relating to Treasury Services (the "Treasury Resolution"). In connection therewith, the Board recognized Ms. Campbell, who explained to the Board the Treasury Resolution.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Medina, the Board voted unanimously to approve the Treasury Resolution.

4. OPERATOR'S REPORT/TERMINATION OF SERVICE

The Board next recognized Ms. Campbell, who submitted to and reviewed with the Board the Operator's Report, a copy of which is attached hereto.

Ms. Campbell reported as follows:

- The District pumped a total of 5,815,000 gallons of water for the month.
- The District has 613 connections.
- The billed to pumped ratio was 67.6%.
- Ms. Campbell reported that repairs to the fire hydrants noted on the annual fire hydrant survey were completed. The painting and waterblasting of 204 fire hydrants is under way. Ms. Campbell will investigate.
- EDP completed the annual Homeland Security Contact Form, and submitted same to the TCEQ.
- EDP noted no instances of identity theft, and does not recommend any changes to the policy.

A. Approval of Repairs to Water System.

EDP completed waterline relocations from Station 63 to Station 74, for a total cost of \$88,179.00.

B. Approval of Requests for Water Taps.

EDP installed residential taps and meters at 14 locations for a total of \$9,829.27.

C. Termination of Water Service.

Consideration was then given to the termination of water service to the delinquent accounts listed on the Termination List in the Operator's Report. The Board noted that there were no customers present at the meeting who wished to address the Board regarding their water bills or to protest termination of water service.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted (i) to authorize the Operator to terminate service to the accounts listed on the Termination List with the assistance of a peace officer, if necessary; and (ii) approve the Operator's Report. Supervisor Carreon opposed approval of the report, as he did not receive it timely. He requested that the report be delivered by Monday prior to the meeting.

5. ENGINEER'S REPORT

The Board recognized Mr. Dybala, who presented the Engineer's Report as follows:

A. Status of Projects.

1. Teleview Terrace Water and Wastewater Plumbing Contract

- The NTP date was January 3rd. Jacobs anticipates the project will be complete by June, 2017.
- Mr. Dybala presented to the Board for consideration and approval Pay Estimate No. 2 from Reddico Construction Co., Inc. (“Reddico”) in the amount of \$322,848.29. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 2.

2. **Marbill Estates/Portion of Ridgewood Estates/Teague Road**

- The project is substantially complete as of March 15th.
- Mr. Dybala presented to the Board for consideration and approval Pay Estimate No. 8 from Reddico in the amount of \$122,942.26. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 8.

3. **Water and Wastewater Plumbing Contract for Marbill Estates, and Ridgewood Estates Subdivisions, and North and South Teague Road**

- Town hall meetings are complete.
- Mr. Dybala requested execution of contracts with Reddico.
- Mr. Dybala presented to the Board for approval a proposal from Geotest Engineering, Inc. (“Geotest”) in the amount of \$37,483.00 to perform material testing services for the project. Upon motion duly made and seconded, the Board voted unanimously to approve the proposal from Geotest.

4. **Phase II Water Plumbing Contract**

- Jacobs conducted the pre-construction meeting on March 29, 2017. The notice to proceed date was set for April 17, 2017. Jacobs anticipates completion of the project by September 2017.
- Jacobs is waiting for TWDB and EPA approval of the construction contract and authorization to conduct the pre-construction meeting.
- Mr. Dybala requested Board approval of Invoice No. 8 from Gray and Pape for final records curation in connection with archaeological monitoring for a total of \$629.50. Mr. Dybala recommended payment of the Invoice. Upon motion duly made and seconded, the Board voted unanimously to approve Invoice No. 8.

5. **Phase III Water Plumbing Contract**

- The project is nearing substantial completion.

6. **Fresno Gardens North Wastewater Collection System**

- Jacobs is in the process of completing construction drawings for agency review.

7. **Fresno Gardens North Wastewater Plumbing Contract**

- Town hall meetings will be conducted once the public wastewater lines for this area are under construction.

8. **Gateway Acres Subdivision Wastewater Collection System**

- Jacobs is working on construction drawings for agency review. Supervisor Carreon requested that Jacobs consider increasing manholes to six inches or one foot higher than the public roads to help prevent storm water from entering the sanitary sewer system. Supervisor Carreon also requested two or more wastewater line exits to be connected to the main trunk line and lift station, possibly at Alice Road, Louise Road and Lissie Road.

9. **Fresno Ranchos Subdivision Wastewater Lift Station and Force Main.**

- Jacobs is in the process of completing a preliminary engineering report for Board approval.

10. **Gateway Acres Subdivision Wastewater Plumbing Contract**

- Town Hall meetings will be conducted once the public wastewater lines are under contraction.

B. **Authorize Engineer to prepare plans and specifications for Projects**

- Mr. Dybala discussed a wetlands study for the proposed new water plant site.

C. **Authorize advertisement for bids for construction of water and wastewater projects**

- No further action required.

D. **Report on Status of Project Funding**

1. **One Year Warranty Expiration Dates**

- Teleview Terrace lift station and force main – 07/16/2016.
- Water Treatment Plant Expansion – 01/04/2017
- Phase III Waterline Improvements – 03/07/2017
- Teleview Terrace Water/Wastewater System – 04/21/17
- Phase II waterline improvements – 09/19/2017
- Davis and W. Davis waterlines – 10/17/2017

2. **FY08 EPA STAG Grant**

- Maximum reimbursable amount from FY08 STAG Grant = \$239,000; Reimbursement Requests submitted to date: \$29,994.96; Amount received: \$29,994.96.
- Deadline has been extended to June 30, 2016. Such funds will be used for water service connections. Jacobs is working on further extending this deadline.

3. **FBC FY14 CDBG Funds**

- The CDBG notified the District that it will receive \$217,467.00 in funds for the next water and wastewater system plumbing contract.

4. **3rd TWDB CWSRF Loan**

- Mr. Dybala requested authorization to begin, along with SK LAW, preparing the application for the District's third CWSRF Loan from the TWDB, in the amount of \$4.955 million

dollars. Upon motion duly made and seconded, the Board voted unanimously to authorize the District's consultants to prepare the application.

E. **Requests for Water and Sewer Service**

- There were no new requests for service.

Supervisor Carreon expressed concern about ditches left in a shallow condition and hydromulched, and its effect on flooding in the Ridgewood area. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Carreon, the Board voted unanimously to approve the Engineer's Report.

6. **HEAR FROM THE PUBLIC**

At this time, the Board opened the meeting to comments from the public.

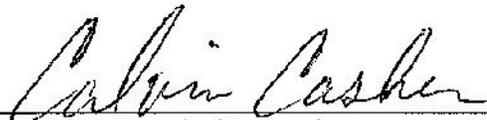
7. **TOWN HALL MEETING ON PROPOSED BOND ELECTION**

The Board then conducted a town hall meeting on the proposed bond election.

There being no further business to come before the Board, upon a motion duly made and seconded, the Board voted unanimously to adjourn.

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PASSED, ADOPTED, and APPROVED this May 18, 2017.


Secretary, Board of Supervisors

