

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

April 21, 2016

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 special session, open to the public, on April 21, 2016, commencing at 4:30 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; Tracy Butcher with Environmental Development Partners (“EDP”), Operator for the District; Phyllis Herbst, the District’s Bookkeeper;; members of the public, the names of which are on the attached attendance sheet; and Michael R. Willis, Ryan LaRue and Wesley 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. PRIVATE WELL POLICY

The Board first considered adopting policies and parameters for retention of private well facilities under certain limited circumstances. In connection therewith, the Board discussed a permit process for property owners with lots equal to or greater than 20,000 square feet in area.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Fleck, the Board voted unanimously to authorize SK Law to draft a policy to allow property owners with a lot equal to or greater than 20,000 square feet in area to apply for a permit to retain a private well, subject to an annual inspection and payment of applicable fees.

2. AUDIT FOR FISCAL YEAR ENDED DECEMBER 21, 2015

The Board deferred action on the Audit.

3. BOOKKEEPER'S REPORT

The Board next 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.

No Investment Report was given.

C. Review Collateral Pledge Report.

No Collateral Pledge Report was given.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Fleck, 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

4. TAX REPORT

The Board next considered the Tax Report, presented by Ms. Herbst.

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

5. 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 and town hall meetings held on February 18, 2016, February 25, 2016 and March 24, 2016, respectively, were presented for approval.

Supervisor Carreon commented on the February 18, 2016 minutes and requested that the Operator's Report be revised to indicate that the fire hydrant repairs are ongoing on Avenue A near Gettie Road.

Supervisor Carreon commented on the March 24, 2016 minutes concerning revisions to the Operator's Report as it relates to fire hydrant repairs.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the minutes as corrected.

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

Mr. Willis updated the Board concerning the Orbit CCN transfer application. No action was necessary in connection therewith.

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. **Amend Rate Order**

No action was taken in connection with the Rate Order.

G. **Appointment of Tax Assessor/Collector**

No action was taken in connection with appointing a Tax Assessor/Collector.

H. **Resolution Regarding Unclaimed Property**

The Board deferred action on the Resolution Regarding Unclaimed Property.

I. **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 Carreon, the Board voted unanimously to approve the Resolution. A copy of said Resolution is on file in the official records of the District.

6. OPERATOR'S REPORT/TERMINATION OF SERVICE

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

Mr. Butcher reported as follows:

- The District pumped a total of 7,773,000 gallons of water for the month.
- The District has 584 connections.
- The billed to pumped ratio was 97.0%.

- Mr. Butcher reported a credit to the District in the amount of \$426.45 for an overcharge for concrete.
- Mr. Butcher presented to the Board a leak adjustment request at 3610 Inez Street. Upon motion duly made and seconded, the Board voted unanimously to adjust the customer's bill pursuant to the District's policy.
- Mr. Butcher reported that EDP spoke with a representative from Fresno Mt. Corinth Baptist Church concerning an outstanding balance and pending customer service inspection. Mr. Butcher reported that the payment agreement on the account has been met.
- Mr. Butcher reported that the TCEQ is now requiring additional sample sites for lead and copper testing. In connection therewith, the District needs 10 new sampling sites. EDP will send a notice to customers requested volunteers.
- Mr. Butcher updated the Board on the fire hydrant leaks.

A. Approval of Repairs to Water System.

No major repairs were reported.

B. Approval of Requests for Water Taps.

Mr. Butcher reported that EDP installed residential taps and meters at two locations for a total of \$1,365.00.

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 Medina, seconded by Supervisor Casher, the Board voted unanimously (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.

7. ENGINEER'S REPORT

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

A. Status of Projects.

1. Teleview Terrace Subdivision water and wastewater system

- The Project is nearing substantial completion. The Board deferred action of assessing liquidated damages.
- Mr. Dybala presented to the Board Pay Estimate No. 9 in the amount of \$484,806.60 from Lopez Utilities Contractor, LLC. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 9.

- Mr. Dybala presented to the Board Pay Estimate No. 15 from Geotest Engineering for \$565.00. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 15.

2. Teleview Terrace Water and Wastewater Plumbing Contract

- Met with Attorney to produce draft plumbing exhibit. Awaiting resolution of outstanding issues.

3. Marbill Estates/Portion of Ridgewood Estates/Teague Road

- Mr. Dybala requested approval of the contract with Reddico Construction Company, Inc. (“Reddico”). Upon motion duly made and seconded, the Board voted unanimously to approve the contract with Reddico, subject to approval of same by the District’s Attorney and the TWDB.
- Mr. Dybala requested approval of a proposal from Geotest Engineering, Inc. for materials testing. Upon motion duly made and seconded, the Board approved the proposal from Geotest Engineering, Inc.

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

- Town hall meetings will begin once construction of the Water and Wastewater System is underway.

5. Water Plant Expansion

- The Project is complete. In connection therewith, Mr. Dybala presented to the Board the project completion acceptance letter. Upon motion duly made and seconded, the Board voted unanimously to approve the letter.
- Mr. Dybala presented to the Board Pay Estimate No. 5 from Geotest Engineering for \$409.00. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 5.

6. Phase II Water Distribution System within Public Right-of-Way

- The Project is under construction.
- Mr. Dybala presented to the Board Pay Estimate No. 3 in the amount of \$180,653.67 from Reddico Construction Co., Inc. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 3.
- Mr. Dybala presented to the Board Pay Estimate No. 4 from Geotest Engineering in the amount of \$8,087.80. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 4.
- Mr. Dybala presented to the Board Pay Estimate No. 3 from Gray and Pape for \$36.50 in connection with archeological monitoring. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 3.

7. Phase II Water Plumbing Contract

- Town hall meetings will begin in the next couple of months.

8. Phase III Water Distribution System within Public Right-of-Way

- The project is substantially complete. Mr. Dybala requested approval of the Certificate of Final Completion and the project completion acceptance letter. Upon motion duly made and seconded, the Board voted unanimously to approve the Certificate and the letter.
- Mr. Dybala requested the Board's approval for Pay Estimate No. 8 (final) from Reddico in the amount of \$218,262.16. Mr. Dybala recommended approval of the Pay Estimate, and noted that the Bookkeeper should hold payment until it is approved for release by the TWDB. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 8.

9. Phase III Water Plumbing Contract

- Mr. Dybala met with the District's Attorney to finalize the customer list to be included in the plumbing contract.

10. Davis and West Davis Waterline Project

- Jacobs is working on construction documents.

11. Davis and West Davis Water Plumbing Contract

- These properties will be included in the Phase II Water Plumbing Contract.

12. Fresno Gardens North Wastewater Collection System

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

13. Fresno Gardens North Wastewater Plumbing Contract

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

14. Gateway Acres Subdivision Wastewater Collection System

- Jacobs is working on construction drawings for agency review.

15. 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

- No action required.

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

- No action required.

D. Report on Status of Project Funding

1. One Year Warranty Expiration Dates

- Televue Terrace lift station and force main – 07/16/2016.
- Water Treatment Plant Expansion – 01/04/2017
- Phase III Waterline Improvements – 03/07/2017

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.

E. Requests for Water and Sewer Service

- Mr. Dybala updated the Board on the status of commercial applications, detailed in the attached Engineer's Report.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the Engineer's Report.

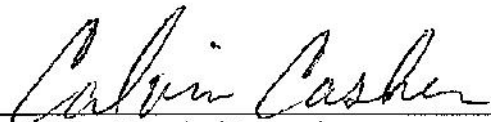
8. HEAR FROM THE PUBLIC

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

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 June 16, 2016.


Secretary, Board of Supervisors

