

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

January 19, 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 January 19, 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 Michael R. Willis and Ryan LaRue 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.

No Investment Report was given.

C. Review Collateral Pledge Report.

No Collateral Pledge Report was given.

Upon motion duly made by Supervisor Casher, 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. Supervisor Carreon requested that Ms. Herbst provide the Bookkeeper's Report, including invoices, one week 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 Fleck, 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 December 15, 2016 and the special meeting held on December 27, 2016 were presented for approval.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to approve the minutes of the meetings held on December 15 and 27, 2016 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 Fleck, seconded by Supervisor Medina, 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.

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 7,637,000 gallons of water for the month.
- The District has 596 connections.
- The billed to pumped ratio was 63.1%.
- Ms. Campbell reported that 204 fire hydrants need to be painted, at a cost of \$40 per hydrant, totaling approximately \$8,160. Upon motion duly made and seconded, the Board voted unanimously to approve the painting.
- Ms. Campbell discussed with the Board a customer request for a leak adjustment at 4825 D FM 521. Noting that the resident did not attend the meeting, the Board deferred action.
- Ms. Campbell presented to the Board a write-off list for accounts from April 2016 to September 2016. The list of five accounts totaled \$1,977.10. Upon motion duly made and seconded, the Board voted unanimously to approve the write-off list.

A. Approval of Repairs to Water System.

Ms. Campbell presented the following repairs:

1. Relocation of waterlines (Stations 73-105) - \$229,257.21.
2. Annual fire hydrant survey - \$4,967.50.
3. Replace fire hydrant at 1218 Trammel-Fresno - \$1,143.75.
4. Repair alternator and relay on pump no. 2 - \$1,437.15.

B. Approval of Requests for Water Taps.

EDP installed residential taps and meters at three locations for a total of \$2,047.50.

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 Casher, seconded by Supervisor Medina, 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.

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 is set for January 3rd. Jacobs anticipates the project will be complete by April or May, 2017.

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

- The project is under construction.

- Mr. Dybala presented to the Board for consideration and approval Pay Estimate No. 5 from Reddico in the amount of \$698,372.73. Mr. Dybala recommended approval of the Pay Estimate. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 5.
- Mr. Dybala presented to the Board for consideration and approval Invoice No. 5 from Geotest Engineering in the amount of \$11,450.00. Mr. Dybala recommended approval of the Invoice. Upon motion duly made and seconded, the Board voted unanimously to approve Invoice No. 5.

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

- Town hall meetings are complete.
- Jacobs met with the District's Attorney in December to finalize the connection exhibit.
- Upon motion duly made and seconded, the Board voted unanimously to authorize Jacobs to advertise the project for bid.

4. Phase II Water Plumbing Contract

- On January 17, 2017, seven bids were received and opened. In connection therewith, Mr. Dybala recommended award of the project to the low bidder, T Construction, LLC in the amount of \$764,675.00, subject to provision by the contractor of all required TWDB and EPA documentation, as well as the TWDB and EPA approving award of the contract to the contractor. Upon motion duly made and seconded, the Board voted unanimously to approve award of the contract to T Construction, LLC.

5. Phase III Water Plumbing Contract

- The contractor anticipates connections being complete by February or March, 2017.
- Mr. Dybala requested the Board's approval of Change Order No. 1 in the amount of approximately \$51,391.90 for the addition of 14 properties to the contract. Upon motion duly made and seconded, the Board voted unanimously to approve Change Order No. 1.

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.

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

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

- The Board voted unanimously to extend the application Fresno Market to July.

Supervisor Carreon made suggestions concerning culverts in future development of the District, and also requested certain additions to the Gateway Acres wastewater system planning. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to approve the Engineer's Report.

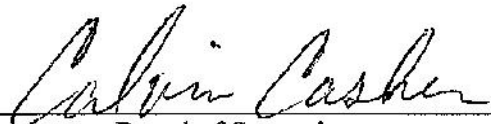
6. HEAR FROM THE PUBLIC

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

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 February 16, 2017.


Secretary, Board of Supervisors

