

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

May 18, 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 May 18, 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 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.

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.

2. TAX REPORT

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

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

3. ATTORNEY'S REPORT

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

A. Approval of Minutes.

Proposed minutes of the regular meeting held on April 20, 2017 were presented for approval. Supervisor Carreon noted a misspelled word in the Engineer's Report. The Board deferred action on said minutes pending the correction.

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 Carreon, 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. Arbitrage Report

Mr. LaRue then presented to the Board for consideration and approval a report from Municipal Risk Management Group ("MRMG") concerning arbitrage rebate and yield restriction analyses for the District's outstanding bond issues. In connection therewith, MRMG recommended engagement of Arbitrage Compliance Specialists to prepare the Final Year Arbitrage Report for the Series 2006B Bonds.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to (1) approve the Arbitrage Report from MRMG, and (2) to engage Arbitrage Compliance Specialists to perform the Final Year Arbitrage Report in connection with the District's Series 2006B Bonds.

H. Resolution Regarding Unclaimed Property

The Board then considered a Resolution Regarding Unclaimed Property concerning the unclaimed utility deposits reported during the Bookkeeper's Report.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the Resolution Regarding Unclaimed Property.

I. Resolution Regarding Annual Review of Emergency Preparedness Plan

Mr. LaRue then presented to the Board for Approval a Resolution Regarding Annual Review of Emergency Preparedness Plan (the "EPP Resolution"). Mr. Dybala and Ms. Campbell noted that no changes were recommended to the Emergency Preparedness Plan.

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

J. Interlocal Agreement with Fort Bend County Tax Assessor/Collector

Consideration was then given to the Interlocal Cooperation Agreement for the Collection of Taxes between the District and Fort Bend County (the "Agreement").

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

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 6,953,000 gallons of water for the month.
- The District has 618 connections.
- The billed to pumped ratio was 61.9%.
- 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. Supervisor Carreon noted there is a large amount of standing water in the ditches of Kansas Road, and suggested it may be due to three fire hydrants nearby on W. Sycamore and W. Palm roads.
- Ms. Campbell requested authorization to replace booster pump number 2 at the water plant for an estimated cost of \$10,862.00. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to authorize EDP to replace the booster pump.

- EDP completed the Critical Facility List to be provided to the District’s retail electric provider, the State of Texas and Fort Bend County.
- EDP presented for approval a draft of the Consumer Confidence Report (the “CCR”). Upon motion duly made by Supervisor, Fleck, seconded by Supervisor Hamilton, the Board voted unanimously to approve the CCR.

A. Approval of Repairs to Water System.

Ms. Campbell informed the Board that TXDOT’s plans Trammel Fresno from Station 105 to Station 121 have again changed, which will result in an additional \$37,519.00. in line relocation costs to the District. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to approve the additional costs, subject to TXDOT providing a letter indicating the plans are final.

Additionally, EDP performed a line relocation at 1111 Trammel Fresno for a total cost of \$3,858.88.

B. Approval of Requests for Water Taps.

EDP installed residential taps and meters at 3 locations for a total of \$1,769.11.

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.

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. 3 from Reddico Construction Co., Inc. (“Reddico”) in the amount of \$287,188.90. 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 for approval Invoice Nos. 2 and 3 from Geotest Engineering, Inc. (“Geotest”) in the amount of \$859.70 and \$7,123.50, respectively. Upon motion duly made and seconded, the Board voted unanimously to approve Invoice Nos. 2 and 3.
- Mr. Dybala presented to the Board for approval Change Order No. 1 to the contract in the approximate amount of \$71,000. Mr. Dybala explained that the Change Order adds about 10

properties to the contract. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, the Board voted unanimously to approve Change Order No. 1.

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

- The project is complete.
- Mr. Dybala presented to the Board for consideration and approval Pay Estimate No. 9 from Reddico in the amount of \$95,521.85. 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 for consideration and approval Pay Estimate No. 10 and final from Reddico in the amount of \$243,639.06. Mr. Dybala recommended approval of the Pay Estimate, but noted that it was not to be released to Reddico until the District receives final approval from the TWDB for the project. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 10 and final, subject to the stated conditions.
- Mr. Dybala presented to the Board for approval Invoice Nos. 6, 7, 8, 9, 10 and 11 from Geotest in the amount of \$724.10, \$2,659.25, \$6,239.10, \$12,043.50, \$1,285.80 and \$3,351.45, respectively. Upon motion duly made and seconded, the Board voted unanimously to approve Invoice Nos. 6, 7, 8, 9, 10 and 11.
- Mr. Dybala presented to the Board for approval Change Order Nos. 1 and 2 to the contract in the amount of \$8,893.32 and \$69,389.25, respectively, for project quantity adjustments and other project corrections. Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, the Board voted unanimously to approve Change Order Nos. 1 and 2.
- Mr. Dybala requested the Board's approval for the Certificate of Final Completion and Certificate of Project Completion Letter. Upon motion duly made and seconded, the Board voted unanimously to approve the letters.

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

- Mr. Dybala received approval of the contracts from TWDB, Fort Bend County CDBG, and the District's Attorney. Jacobs is coordinating to set the NTP date.

4. Phase II Water Plumbing Contract

- The notice to proceed date was set for April 17, 2017. Jacobs anticipates completion of the project by September 2017.

5. Phase III Water Plumbing Contract

- The project is nearing 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 construction.

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

- Phase II waterline improvements – 09/19/2017
- Davis and W. Davis waterlines – 10/17/2017
- Marbill and Ridgewood Estates Water and Wastewater Lines – 03/15/2018

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 water and wastewater system plumbing contracts. After pending requests, the District will have approximately \$65,402.57 remaining.

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.

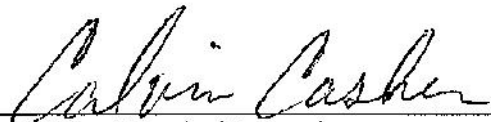
Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the Engineer's Report.

6. **HEAR FROM THE PUBLIC**

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

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PASSED, ADOPTED, and APPROVED this June 15, 2017.


Secretary, Board of Supervisors

