

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

May 19, 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; Michael Gutierrez with Fort Bend County Precinct 1; members of the public, the names of which are on the attached attendance sheet; 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. 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 (the “Policy”).

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted to adopt the Policy, subject to final permit cost information. Supervisor Carreon opposed the motion.

2. 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 Medina, 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

3. **TAX REPORT**

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

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

4. **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 April 21, 2016, respectively, and the special meeting held on May 12, 2016, were presented for approval. The Board deferred action on the minutes.

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 Fleck, seconded by Supervisor Carreon, the Board voted unanimously to approve the Regional Plant Committee Report.

D. **Regional Facilities Contract**

Mr. Willis then presented the Fourth Amendment to the Regional Facilities Contract (the "Amendment").

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

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

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

I. **Amendment to Interlocal Cooperation Agreement for the Collection of Taxes**

Consideration was then given to a proposed Amendment to Interlocal Agreement for the Collection of Taxes (the "Tax Agreement") between the District and Fort Bend County (the "County"). In connection therewith, Mr. Willis reminded the Board that the District contracts with the County for tax collection services, and that such contract is amended on an annual basis to provide for the continuation of such services for the new tax year.

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

J. **Resolution Regarding Annual Review of Emergency Preparedness Plan**

The Board deferred action on this matter.

k. **Consumer Confidence Report**

The Board then recognized Mr. Butcher, who presented a draft Consumer Confidence Report (the "Report"). Upon motion duly made and seconded, the Board voted unanimously to approve the Report, subject to final review and approval of District consultants.

l. **Qualification of Supervisors**

The Official Bonds and Oaths of Office of Supervisors Medina, Casher and Fleck, were then presented for approval. The Board noted that Supervisors Medina, Casher and Fleck had executed Sworn Statements and Bonds, and had taken their Constitutional Oaths of Office, all in accordance with the provisions of Section 49.055 of the Texas Water Code.

Upon motion duly made and seconded, the Board voted unanimously to accept said Sworn Statements, Oaths, and Bonds and to authorize that each be filed and retained in the District's official records, and that such Oaths be filed with the Secretary of State of the State of Texas.

m. **Election of Officers**

The Board then considered election of officers.

Upon motion duly made and seconded, the Board voted unanimously to retain the same slate of officers.

5. 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 7,408,000 gallons of water for the month.
- The District has 587 connections.
- The billed to pumped ratio was 82.6%.
- Mr. Butcher presented a copy of the Critical Facility List, to be provided to the District's electrical provider, the State of Texas and Fort Bend County.
- Mr. Butcher presented to the Board a draft of the Consumer Confidence Report, which was approved under the Attorney's Report.
- Supervisor Carreon inquired about the fire hydrant leaks; and noted that it took a long time to resolve this issue.

A. **Approval of Repairs to Water System.**

Mr. Butcher requested authorization to repair Booster Pump No. 2 at the water plant for a cost of approximately \$4,550, plus an estimated cost of \$800 for time and materials. Upon motion duly made and seconded, the Board voted unanimously to approve the repair.

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 Fleck, 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.

6. 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 complete.
- Mr. Dybala presented to the Board Pay Estimate No. 10 (final) in the amount of \$608,276.95 from Lopez Utilities Contractor, LLC. Mr. Dybala recommended approval of the Pay Estimate, but noted that the Bookkeeper was not to release the payment until the District receives the Certificate of Approval from the TWDB. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 10.

2. **Teleview Terrace Water and Wastewater Plumbing Contract**

- The Engineer and the Attorney will meet after June 16, 2016 to finalize the plumbing contract.

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

- Th TWDB has provided approval to conduct the pre-construction meeting and to start construction.

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

- The Project is under construction.
- Mr. Dybala presented to the Board Pay Estimate No. 4 in the amount of \$435,319.83 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. 4.
- Mr. Dybala presented to the Board Pay Estimate No. 5 from Geotest Engineering in the amount of \$9,199.85. 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 Pay Estimate No. 4 from Gray and Pape for \$3,032.34 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. 4.

6. **Phase II Water Plumbing Contract**

- Town hall meetings are complete. The Engineer and the Attorney will meet soon to prepare the plumbing contract.

7. **Phase III Water Plumbing Contract**

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

8. **Davis and West Davis Waterline Project**

- The final construction documents have been prepared and approved by all agencies. Mr. Dybala requested approval to advertise the project. Upon motion duly made and seconded, the Board voted unanimously to authorize advertisement of the project.

9. **Davis and West Davis Water Plumbing Contract**

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

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

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

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

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

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

- Jacobs is working on construction drawings for agency review. Supervisor Carreon requested that all sewer manholes in this project be constructed at a level at least one half foot higher than the level of the public streets due to flooding issues. Mr. Dybala noted that he would take this suggestion into consideration, and further noted that each manhole is being fitted with an inflow prevention device.

13. **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 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

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 Fleck, seconded by Supervisor Casher, the Board voted unanimously to approve the Engineer's Report.

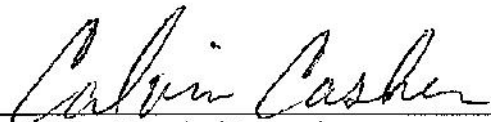
7. **HEAR FROM THE PUBLIC**

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

