

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to authorize the payment of the checks and invoices listed therein. The Board deferred approval of the Bookkeeper's Report pending responses from the Bookkeeper regarding various bank charges. Additionally, Director Carreon requested that the Bookkeeper email copies of all invoices three days before regular Board meetings to ensure timely review of said invoices by the Board.

2. AUDIT

The Board deferred approving the audit for fiscal year ending December 31, 2017, until the next Board meeting.

3. TAX REPORT

The Board deferred action on the Tax Report until the next Board meeting.

4. ATTORNEY'S REPORT

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

A. Approval of Minutes

The proposed minutes of the meeting held on March 15, 2018, were presented for approval. Upon a motion made by Supervisor Fleck, seconded by Supervisor Casher, and after full discussion, the Board voted unanimously to approve the minutes of the meeting held on March 15, 2018.

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 a motion made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, 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 Texas Water Development Board for Project and Issuance of Bonds, Series 2018

No action was taken on this matter.

G. Discuss Strategic Partnership Agreement with the City of Houston and the City of Pearland

No action was taken on this matter.

H. Discuss and take action on requesting Fort Bend County Municipal Utility District No. 23 provide water and sanitary sewer services to Teal Gardens

No action was taken on this matter.

I. Approve Resolution Regarding Unclaimed Property

No action was take on this matter.

J. Approve Resolution Regarding Annual Review of Identity Theft Policy

Consideration was then given to approving the Resolution Regarding Annual Review of Identity Theft Policy.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Carreon, the Board voted unanimously to approve the Resolution Regarding Annual Review of the Identity Theft Policy.

5. OPERATOR'S REPORT/TERMINATION OF SERVICE

Next, the Board recognized Ms. Campbell who submitted to and reviewed with the Board the Operator's Report, a copy of which is on file in the official records of the District.

Ms. Campbell reported substantial system repairs and maintenance as follows:

- Installed 8 residential taps and meters.
- The District has 885 residential connections, 313 full service residential connections, and 1,358 total connections.
- The District pumped a total of 9,567,000 gallons of water for the month.
- The billed to pumped ratio was 81.3%.

1. Trammel Fresno Road Widening Project

Ms. Campbell reported that EDP provided information to the District Engineer regarding the existing utilities between Chimney Rock and California for review and met with the District Engineer to evaluate the areas of interference and developed a plan for relocating the utilities. EDP is meeting with contractors to solicit bids and will present the bids for Board approval at the next meeting.

2. Annual Report on Identity Theft Prevention Program "Red Flag Rule"

Ms. Campbell presented EDP's annual report for the Identity Theft Prevention Program and reported that EDP had not cited any instances of identity theft. Ms. Campbell recommended that the District not make any changes to the program.

3. Water Loss Audit Annual Report

Ms. Campbell then presented the Water Loss Audit Report required by the Texas Water Development Board ("TWDB").

4. TWDB Water Conservation Plan Annual Report

Ms. Campbell reported that EDP completed the Water Conservation Plan Annual Report required by TWDB.

5. Delinquent Accounts and Service Terminations

Ms. Campbell then provided a list of customers that received a delinquent letter by mail and are subject to the disconnection of service.

Upon a motion duly made by Supervisor Casher, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve the Operator's Report and approve the termination list.

6. ENGINEER'S REPORT

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

A. Status of Projects

1. Marbill Estates and a Portion of Ridgewood Estates Subdivisions and North and South Teague Road Water and Wastewater Plumbing Contract

- Mr. Dybala noted that there is work remaining related to private water wells on the following properties:
 - 4314 Mark Terrace Road
 - 302 Teakwood Avenue
 - 4723 Tulip Lane
 - 522 Redwood Avenue
 - 4650 North Teague Street – District Well Permit secured

2. Fresno Gardens North Wastewater Collection System

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

3. Fresno Gardens North Wastewater Plumbing Contract

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

4. Gateway Acres Subdivision Wastewater Collection System

- Jacobs is working on construction drawings for agency review.

5. Fresno Ranchos Subdivision Wastewater Lift Station and Force Main.

- Jacobs is working on construction drawings for agency review.

6. Gateway Acres Subdivision Wastewater Plumbing Contract

- Townhall meetings will be conducted once the public wastewater lines are under construction.

8. FM 521 Sanitary Sewer Extension

- Jacobs has received comments from Fort Bend County and the City of Pearland regarding the construction drawings and has prepared final, signed, and sealed construction drawings for agency signatures. Once signatures have been received, Jacobs will advertise the project.

B. Authorize Engineer to prepare plans and specifications for Projects

1. Water Plant No. 2

- Jacobs will be presenting proposal for design and construction engineering services at May meeting.
- Terracon has completed the geotechnical report. Dr. Dybala presented to the Board Invoice No. 1 from Terracon in the amount of \$10,500.00 for the geotechnical report. Mr. Dybala recommended approval of invoice No. 1.
- Mr. Dybala reported that the District now owns the water plant site.
- Mr. Dybala reported that the District Attorney and Arborleaf are finalizing the sanitary control easement required for the construction of the new water well.
- District is awaiting TWDB approval to use surplus DFUND to complete project.
- Environmental Assessment has been submitted to TWDB and TWDB has requested an official response from the United States Army Corps of Engineers (“CoE”) that the wetland located on the water plant site is a “Non-Jurisdictional Wetland”. Jacobs is coordinating the response from the Corps of Engineers and anticipates a response in two to three months.
- District Estimated Water Connection Timeline (Water Plant No. 1 Connection Capacity 1,600)
 - End of 2018 = 1,460
 - End of 2019 = 1,520
 - End of 2020 = 1,580
 - Anticipate completing Water Plant No. 2 construction by end of 2020

C. Report on Status of Project Funding and Take Necessary Action Thereo

1. One Year Warranty Expiration Dates

- Phase III Water Service Lines – 05/17/18
- Televue Terrace Subdivision Water and Wastewater Service Lines – 07/17/18
- Phase II Water Service Lines – 11/14/18
- Marbill Estates Subdivision / Portion of Ridgewood Estates Subdivision / North and South Teague Road Water and Wastewater Service Lines – 01/03/19

2. 2015 TWDB DFUND Loan

- Jacobs plans to use remaining funds for the Water Plant No. 2 project.

3. 2009 TWDB CWSRF Loan

- Jacobs plans to use remaining funds for the Fresno Gardens North Subdivision Waterwater Collection System.

4. Fourth TWBD Loan and Third TWDB CWSRF Loan

- Jacobs is preparing a Summary of Costs for two new loans.
- DFUND Loan is needed for the Water Plant No. 2 project.

- CWSRF Loan is needed for the Fresno Gardens North Subdivision Wastewater System, Gateway Acres Subdivision Wastewater System, Fresno Ranchos Lift Station, and expansion of City of Arcola Wastewater Treatment Plant.

5. Fort Bend County CDBG Funds

- Consider applying once Gateway Acres Subdivision Wastewater plumbing project is underway

D. Projections for District Water and Wastewater Projects

- Need to update information every January and July.

E. Discuss Emergency Preparedness Plan

- Emergency Preparedness Plan will be reviewed to determine if any updates are required.

F. Requests for Water and Sewer Service

- **Water Service**
 - Mr. Dybala reviewed the status of non-residential applications for water service.
 - MVP Auto Parts – Expansion (717 Sycamore) – Customer provided application with fee for fire water connection. Upon a motion from Supervisor Fleck, seconded Supervisor Casher, and after full discussion, the Board voted unanimously to process the application.
- **Wastewater Service**
 - Mr. Dybala reviewed the status of non-residential applications for wastewater service.
 - First Baptist Church of Fresno is requesting the Board’s approval of its wastewater service application. Upon a motion by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve the wastewater service application.
 - Mustang Community Center operated by Fort Bend County is requesting the Board’s approval of its wastewater service application. Upon a motion by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve the wastewater service application.

G. Trammel Fresno Road Widening Project

- Update provided by Operator’s Report.

H. Discussions with Nalco Champion Regarding Water and Wastewater Service

- Jacobs provided the plant manager with a commercial service application. The plant manager was initially interested in receiving water to supplement the plant’s fire protection system. Jacobs will continue to work with the customer regarding water and wastewater service.

I. Potential Emergency Water Interconnect with BCMUD 21

- BCMUD 21 is interested in pursuing an interconnect once District completes Water Plant No. 2.

J. Potential Emergency Water Interconnect with MUD 141

- Engineer and Operator are reviewing construction plans for an emergency water interconnect.

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

Director Carreon expressed concern that Jacobs had not completed the engineering and design phase for the North Fresno Gardens and Gateway Acres wastewater system. Mr. Dybala noted that Jacobs had not yet presented a proposal for the engineering and design phase of the North Fresno Gardens and Gateway Acres wastewater system.

7. ELECTRICAL SERVICES PROPOSAL

Ms. Mary Dubois with Acclaim presented a report on the status of electricity prices noting that the District's current electricity contract with the Texas General Land Office expires April 30, 2019. Currently the District pays \$0.04926 per kWh.

Upon a motion by Supervisor Medina, seconded by Supervisor Casher, and after full discussion, the Board voted unanimously to authorize Acclaim to negotiate on behalf of the District a five-year contract for electrical service at a price not to exceed \$0.0478 per kWh and authorized Director Fleck to execute said contract.

8. 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 May 17, 2018.


Secretary

[SEAL]