

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

March 15, 2018

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 March 15, 2018, 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 except Supervisor Hamilton, thus constituting a quorum.

Also present at the meeting were: David Dybala with Jacobs Engineering Group, Inc. ("Jacobs"), the District's Engineer; Barbara Fellingner, the District's Bookkeeper; Eli Hurtado with Environmental Development Partners ("EDP"), the District's Operator; Mary DuBois with Acclaim; Dwayne Grigar with Fort Bend County Precinct 1; members of the public, the names of whom are on file in the official records of the District; and Michael Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SKLaw"), 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. Fellingner, a copy of which is on file in the official records of the District, 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.

The Board reviewed the Collateral Pledge report.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, 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

In the absence of the Tax Assessor/Collector, the Board deferred action on the Tax Report.

3. 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 February 15, 2018 were presented for approval. Upon a motion made by Supervisor Casher, seconded by Supervisor Medina, the Board voted unanimously to approve the minutes of the meeting held on February 15, 2018, as presented.

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

No action was taken on the CCNs.

C. Regional Plant Committee Report.

In the absence of Supervisor Hamilton, the Board deferred action on 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 2017.

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.

Mr. Willis then reviewed with the Board a letter from Fort Bend County Municipal Utility District No. 23 ("MUD 23") in response to the District's request for temporary service from MUD 23 for the Teal

Garden Subdivision. Mr. Willis noted that MUD 23 declined to provide temporary service at this time; however, MUD 23 will be open to revisiting the matter at such time as its application to rerate the capacity of its wastewater treatment plant with the Texas Commission on Environmental Quality is determined. No action was taken on this matter.

4. OPERATOR'S REPORT/TERMINATION OF SERVICE

Next, the Board recognized Mr. Hurtado, 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.

Mr. Hurtado reported substantial system repairs and maintenance as follows:

- EDP Installed 8 residential taps and meters.
- The District has 883 residential connections, 309 full service residential connections, and 1,350 total connections.
- The District pumped a total of 10,866,000 gallons of water for the month.
- The billed to pumped ratio was 82.7%.

1. Trammel Fresno Road Widening Project

Mr. Hurtado informed the Board that EDP is in the process of gathering additional information regarding existing utilities between Chimney Rock and California, and will provide such information to Jacobs for evaluation. TXDOT's engineering firm, RPS Infrastructure, has delivered an updated project schedule for review. RPS noted the schedule will be adjusted again because the County has added a missing segment of road expansion between the bridge near Hurricane Lane and Trammel Fresno Road, which was not accounted for in the scope of either project.

2. TCEQ Homeland Security Contact Form

EDP has completed the Homeland Security Contact Form and submitted same to the TCEQ.

3. NFBWA Water Conservation Plan Annual Report

EDP has completed the North Fort Bend Water Authority Annual Water Usage Report.

4. 218 Merrifield Ln – Leak Adjustment Request

The Customer is requesting an adjustment due to a water leak for the period of 01/05-02/05 (176,000 gallons of water). Per the Rate Order, EDP recommended an adjustment of \$463.00 on the water portion of the bill, and no adjustment to the NFBWA fees.

5. 1106 Avenue A – Leak Adjustment Request

The Customer is requesting an adjustment due to a water leak for the period of 01/05-02/05 (55,000 gallons of water). Per the Rate Order, EDP recommended an adjustment of \$155.00 on the water portion of the bill, and no adjustment to the NFBWA fees.

6. Delinquent Accounts and Service Terminations

Consideration was then given to the termination of water service to the delinquent accounts listed on the Termination List in the Operator's Report.

Upon motion duly made by Supervisor Carreon, seconded by Supervisor Casher, the Board voted unanimously to (i) approve the Operator's Report; (ii) approve the Customer leak adjustments, as recommended; and (iii) approve the termination list.

5. ENGINEER'S REPORT

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

A. Status of Projects

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

- Project is fully completed by Reddico Construction Co., Inc.
- Mr. Dybala presented to the Board for approval the Certificate of Final Completion and District's Acceptance of Project Completion. Upon motion duly made and seconded, the Board voted unanimously to approve the Certificate of Final Completion and District's Acceptance of Project Completion, as presented.

2. Phase II Water Plumbing Contract (Including Davis and West Davis Roads) (Decommission of Turner CCN)

- Project is fully completed by T-Construction, LLC.
- Mr. Dybala presented to the Board for approval the Certificate of Final Completion and District's Acceptance of Project Completion. Upon motion duly made and seconded, the Board voted unanimously to approve the Certificate of Final Completion and District's Acceptance of Project Completion, as presented.
- Mr. Dybala presented to the Board Pay Estimate No. 8 and final from T-Construction, LLC, in the amount of \$88,034.40. Mr. Dybala recommended approval of Pay Estimate No. 8, but advised that the payment will not be provided to the contractor until the District receives approval of the project from the TWDB. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 8.

3. Fresno Gardens North Wastewater Collection System

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

4. Fresno Gardens North Wastewater Plumbing Contract

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

5. Gateway Acres Subdivision Wastewater Collection System

- Jacobs is working on construction drawings for agency review.

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

- Jacobs is working on construction drawings for agency review.

7. 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

- Public plans have been approved by the Church, FBC Parks, City of Arcola, FBC Engineering, and the TCEQ. Jacobs is waiting on comments from FBC Drainage and the City of Pearland.
- Mr. Dybala requested approval to advertise the project once all outstanding items have been resolved. Upon motion duly made and seconded, the Board voted unanimously to authorize Jacobs to advertise the project.

B. Authorize Engineer to prepare plans and specifications for Projects

1. Water Plant No. 2

- Arborleaf completed the topographical survey for the project.
- Mr. Dybala presented to the Board for approval Invoice Nos. 1 and 2 from Arborleaf related to the project for \$17,126.00 and \$4,504.00, respectively. Upon motion duly made and seconded, the Board voted unanimously to approve the Invoices.
- Terracon was completed work on the geotechnical investigation, and is finalizing the geotechnical report.
- Environmental Assessment has been submitted to TWDB. Jacobs received correspondence from the CoE recently indicating there may be a jurisdictional wetland on the site. Jacobs is working with CoE to resolve this matter.
- District is awaiting TWDB approval to use surplus DFUND to complete project.
- 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 Thereto

1. One Year Warranty Expiration Dates

- Marbill and Ridgewood Estates Water and Wastewater Lines – 03/15/2018
- Phase III Water Service Lines – 05/17/18
- Teleview Terrace Subdivision Water and Wastewater Service Lines – 07/17/18
- Phase II Water Service Lines – 11/14/18
- Marbill Estates Water and Wastewater Service Lines – 01/03/19

2. 2015 TWDB DFUND Loan

- Jacobs requested TWDB authorize remaining funds to be used for Water Plant No. 2 project.

3. 2009 TWDB CWSRF Loan

- Plan to use remaining funds for Fresno Gardens North Subdivision Waterwater Collection System.

4. Fourth TWBD Loan and Third TWDB CWSRF Loan

- Loan needed to complete Fresno Gardens North Subdivision Wastewater System, Gateway Acres Subdivision Wastewater System, Fresnos Ranchos Subdivision Lift Station and Force Main Project, and Expansion of City of Arcola Wastewater Treatment Plant.
- Jacobs will begin preparation of loan applications once plumbing projects have been completed, contractors have been provided final payments, all outlay reports with TWDB have been resolved, payments due or owed to or from the City of Arcola for the wastewater treatment plant expansion project have been resolved, and the Bookkeeper has finalized remaining DFUND and CWSRF loans.

5. 2018 Fort Bend County CDBG Funds

- Consider applying for future plumbing contracts including Fresno Gardens North Subdivision or Gateway Acres Subdivision.

D. Projections for District Water and Wastewater Projects

- Need to update information every January and July.
- Mr. Dybala presented updated water and wastewater project projection exhibits.

E. Discuss Emergency Preparedness Plan

- Emergency Preparedness Plan will be reviewed in April 2018 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.
- **Wastewater Service**
 - Mr. Dybala reviewed the status of non-residential applications for wastewater service.

G. Trammel Fresno Road Widening Project

- No update.

H. Discussions with Nalco Champion Regarding Water and Wastewater Service

- No update.

I. Potential Emergency Water Interconnect with BCMUD 21

- No update.

J. Potential Emergency Water Interconnect with MUD 141

- Jacobs provided comments to the MUD 141 engineer, and is awaiting a response.

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

6. ELECTRICAL SERVICES PROPOSAL

The Board then recognized Ms. DuBois with Acclaim, who discussed with the Board obtaining electrical proposals for the District.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Carreon, the Board voted unanimously to authorize Acclaim to obtain electrical service proposals for the District.

7. 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 April 19, 2018.

Calvin Cother

Secretary

