

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 April 19, 2018, were presented for approval. Upon a motion made by Supervisor Medina, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve the minutes of the meeting held on April 19, 2018.

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

Discussion occurred under the Operator's Report.

C. Regional Plant Committee Report

Supervisor Hamilton presented to the Board the Regional Plant Committee Report. Upon a motion made by Supervisor Medina, seconded by Supervisor Carreon, 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

Discussion of the application to the Texas Water Development Board ("TWDB") for project and issuance of bonds occurred under the Engineer's Report.

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 the Emergency Preparedness Plan

Consideration was then given to approving the Resolution Regarding Annual Review of Emergency Preparedness Plan.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Casher, the Board voted unanimously to approve the Resolution Regarding Annual Review of the Emergency Preparedness Plan.

K. Approve Sanitary Control Easement for Water Plant

Consideration was then given to approving the Sanitary Control Easement for the Water Plant No. 2.

Upon a motion duly made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to approve the Sanitary Control Easement for Water Plant No. 2.

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 22 residential taps and meters.
- The District has 885 residential connections, 311 full service residential connections, and 1,370 total connections.
- The District pumped a total of 9,844,000 gallons of water for the month.
- The billed to pumped ratio was 82.0%.

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 has solicited bids for the relocation of the utilities.

Upon a motion by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously the authorize a contract for the relocation of utilities in an amount not to exceed \$90,000.

2. Critical Load Facility List

Ms. Campbell presented to the Board the Critical Load Facility List which will be provided to the District's retail electric provider, the Texas Department of Emergency Management, and Fort Bend County.

3. Consumer Confidence Report

Ms. Campbell then presented the 2017 Consumer Confidence Report (the "CCR") for the Board's review and approval. The District is required to deliver a copy of the CCR to all bill paying customers prior to July 1.

4. 4658 N. Teague Road – Water Leak Adjustment Request

Ms. Campbell reported that the customer located at 4658 N. Teague Road requested a water bill adjustment due to a water leak for the period of 01/05-02/05.

Upon a motion made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to approve

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 Medina, and after full discussion, the Board voted unanimously to approve the Operator's Report and approve the termination list.

Supervisor Fleck entered the meeting in progress.

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

2. Fresno Gardens North Wastewater Collection System

- Jacobs is in the process of completing construction drawings for agency review and anticipates agency review to begin in July.

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. Construction of the project will not occur until completion of the Trammel Fresno Road widening project.

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.

7. FM 521 Sanitary Sewer Extension

- Project is currently in the bidding phase. Project was advertised on May 2, 2018, and May 9, 2018. A pre-bid meeting was held on May 14, 2018, and bids will be opened on May 30, 2018. Upon Mr. Dybala’s recommendation, the Board appointed a subcommittee comprised of Supervisor Hamilton and Supervisor Casher to review bid results and approve a recommendation of award of project. Upon a motion by Supervisor Fleck, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to appoint a subcommittee as discussed.
- Mr. Dybala requested approval of a proposal from Geotest Engineering to provide material testing services for the construction of the project. Upon a motion by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to accept the proposal.

B. Authorize Engineer to prepare plans and specifications for Projects

1. Water Plant No. 2

- Jacobs presented a proposal in the amount of \$401,000 for design and construction engineering services for Water Plant No. 2. Upon a motion by Supervisor Fleck, seconded by Supervisor Casher, and after full discussion, the Board voted to accept the proposal for design and construction engineering services for Water Plant No. 2 in the amount of \$401,000.
- 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.
- 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

- 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 presented a Summary of Costs for the Fourth TWDB DFUND Loan which will be necessary to cover additional costs related to the design and construction of Water Plant No. 2.
- Jacobs presented a Summary of Costs for the Third TWDB CWSRF Loan which is needed for the Fresno Gardens North Subdivision Wastewater System, Gateway Acres Subdivision Wastewater System, Fresno Ranchos Lift Station.

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.
 - Robbins Nest for Children (715 Elm Street) – Customer has provided an application for commercial service. Upon a motion by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to approve the commercial water service application subject to approval by EDP. The Board acknowledged that they are approving the application even though taxes on the property are delinquent.
- **Wastewater Service**
 - Mr. Dybala reviewed the status of non-residential applications for wastewater service.

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 BCMUD 141

- Mr. Dybala reported that construction of the emergency water interconnect with Brazoria County Municipal Utility District No. 141 would be complete in July 2018.

Upon motion made by Supervisor Medina, and seconded by Supervisor Fleck, and after full discussion, the Board voted 4-1 to approve the Engineer's Report with Supervisor Carreon voting "Nay".

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 June 28, 2018.

Cabrin Carter
Secretary

[SEAL]