



Upon motion duly made by Supervisor Fleck, seconded by Supervisor Casher, and after full discussion, the Board voted unanimously to approve the Bookkeeper's Report and authorize the payment of the checks and invoices listed therein.

### **3. TAX REPORT**

The Board took no action on the Tax Report.

The Board recognized Mr. Smalling and considered a Tax Rate Analysis prepared by RWBaird. Mr. Smalling noted that RWBaird recommends a debt service tax rate of \$0.50 per \$100 assessed valuation and an operation and maintenance tax rate of \$0.50 per \$100 assessed valuation for a total tax rate of \$1.00 per \$100 of assessed valuation. Mr. Willis reminded the Board that setting the tax rate is a two-step process. The first step is to establish a proposed tax rate, to call a public hearing on the proposed tax rate, and to authorize publication of notice of the proposed tax rate and public hearing in a newspaper of general circulation in Brazoria County. The second step is to conduct the public hearing and official set the tax rate.

Upon a motion made by Supervisor Casher, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to (1) establish its intent to set and levy (i) a debt service tax rate for 2018 in the amount of \$0.50 per \$100 assessed valuation, and (ii) an operation and maintenance tax of \$0.50 per \$100 assessed valuation for a total tax rate of \$1.00 per \$100 assessed valuation, (2) to call a public hearing on the proposed tax rate for Thursday, September 20, 2018, at 6:00 P.M. at the regular meeting place of the Board, and (3) to authorize publication of the proposed tax rate and public hearing.

### **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 meetings held on July 19, 2018, were presented for approval.

Upon a motion made by Supervisor Casher, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve the minutes of the meetings held on July 19, 2018.

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

No action was taken in connection with the Certificates of Convenience and Necessity.

#### **C. Regional Plant Committee Report**

Supervisor Hamilton presented to the Board the Regional Plant Committee Report.

Upon a motion made by Supervisor Fleck, seconded by Supervisor Casher, 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**

Mr. Willis had no updates to provide the Board and no action was taken in connection with the Application to the Texas Water Development Board for Project and Issuance of Bonds, Series 2018.

### **G. Discuss Strategic Partnership Agreement with the City of Houston and the City of Pearland, including status of inventory of commercial businesses**

Mr. Fortner presented to the Board a Business List Inventory Update. He informed they Board that SRI was updating the business inventory list and will be generating a business map reflecting the locations of each business so as to create the Strategic Partnership Agreement boundary.

The Board noted no action was necessary.

### **H. Approve Resolution Regarding Annual Review of Investment Policy**

Mr. Willis presented the Board with a Resolution Regarding Annual Review of Investment Policy and the Board reviewed the District's Investment Policy.

Upon a motion made by Supervisor Casher, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve the Resolution Regarding Annual Review of Investment 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 residential taps and meters at eleven (11) locations;
- Installed a commercial tap and meter at one (1) location;
- Repaired a leaking blow-off valve at Trammel Fresno and FM 521;
- Repaired a service line hit by a contractor at Trammel Fresno and Illinois with the cost of the repair to be back-charged to the contractor;
- Repaired an extra-long service line hit by a contractor on Ohio Street with the cost of the repair to be back-charged to the contractor; and
- Prepared, reviewed and mailed to residents the District's annual Consumer Confidence Report.

### **1. Trammel Fresno Road Widening Project**

Ms. Campbell reported that the relocation of existing utilities between Chimney Rock and California is complete.

### **2. Water Plant Booster Pump #3 Repair**

Ms. Campbell reported that the repairs to Booster Pump No. 3 are complete.

### **3. Write-Off List**

Ms. Campbell presented additional comments to accounts listed on the Write-Off List discussed. Mr. Willis recommended that the Board conduct a special meeting to discuss and act on the Write-Off List.

### **5. Delinquent Water Accounts and Service Terminations**

Ms. Campbell 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 Fleck, seconded by Supervisor Casher, 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**

- Remaining work related to private water wells on the following properties:
  - 4314 Mark Terrace Road (ME, Lots 16,17 and 18)- EDP to install door hanger with language provided by District Attorney
  - 522 Redwood Avenue (RE, B31, Lots 6 & 21)- EDP to install door hanger with language provided by District Attorney
- Fresno Gardens North Subdivision Wastewater Collection System
  - Jacobs has received agency review comments from the Texas Department of Transportation ("TxDOT"), the City of Arcola ("CoA"), the City of Houston ("CoH"), and Fort Bend County Engineering Department ("FBC Engineering"), CenterPoint Energy ("CenterPoint"), and Frontier ("Frontier"). Jacobs is awaiting comments from the City of Pearland ("CoP") and Fort Bend County Road and Bridge Department ("FBC Road & Bridge"). Mr. Dybala reported that the Texas Water Development Board ("TWDB") will need to approve the project in order for the District to advertise for bids.
  - Mr. Willis is coordinating with CoA regarding the District providing wastewater service in this area which is within the boundaries of the "Existing Fresno Facilities" of the Regional Facilities Contract.
  - Jacobs is coordinating with CoA regarding the possible decommissioning of the existing lift station at the intersection of Kansas Street and West Sycamore Road that once served the old Haliburton facility.
  - The Bookkeeper reports there is approximately \$550,000 remaining of the TWDB CWSRF Loan. The District would utilize this amount to start the project, but would need the new TWDB CWSRF Loan secured or utilize the District's general fund to complete it.

- Fresno Gardens North Subdivision Wastewater Plumbing Contract
  - Townhall meetings are anticipated to start at the end of this year and planning with consultants will take place in the next couple of months on ways to improve the plumbing project process. Afterwards, Jacobs will discuss methods to improve the project process with the Board for its consideration.
  
- Gateway Acres Subdivision Wastewater Collection System
  - Jacobs is completing the project construction drawings for agency review. The construction project will be on hold until completion of Trammel Fresno Road widening project. A new TWDB CWSRF Loan needs to be secured to complete the project.
  
- Fresno Ranchos Subdivision Wastewater Lift Station and Force Main
  - Jacobs is completing the construction drawings for agency review. Construction of the new project will be on hold until completion of Trammel Fresno Road widening project. A new TWDB CWSRF Loan needs to be secured to complete project.
  
- Gateway Acres Subdivision Wastewater Plumbing Contract
  - Townhall meetings will be conducted once the public wastewater lines for this area are under construction
  
- FM 521 Sanitary Sewer Extension
  - This project is currently under construction and the contractor is currently installing sanitary sewer within the public easement adjacent to FM 521 and has constructed a portion of the sanitary sewer service line within the property of the First Baptist Church of Fresno. It is anticipated that the project will be complete by late-September 2018.
  - Mr. Dybala presented Pay Estimate No. 1 from SCSU in the amount of \$22,371.93 for construction of the FM 521 Sanitary Sewer Extension. Mr. Dybala recommended payment of Pay Estimate No. 1.
  - Mr. Dybala presented Invoice No. 1 from Geotest in the amount of \$2,071.30 for performing material testing services. Mr. Dybala recommended payment of Invoice No. 1.
  
- Water Plant #2
  - Jacobs is preparing project construction plans.
  - The TWDB approved to use surplus TWDB DFUND loan funds for project, but the funds cannot be accessed until the Environmental Assessment is approved.
  - Status of Environmental Assessment (“EA”) - Jacobs provided additional documentation to Corps of Engineers (Jurisdictional Determination) (“CoE”) on 04/23/18 demonstrating that wetland is non-jurisdictional. Jacobs awaits a response from CoE. TWDB needs response from CoE stating that wetland is non-jurisdictional in order to approve EA.
  - Status of Sanitary Control Easement - Metes and bounds descriptions with exhibits for three tracts of land involved with the easement were provided to District Attorney.
  - District Est. Water Conn. Timeline (FBCFWSD#1 WP#1 Connection Capacity 1,600)
    - End of 2018=1,460
    - End of 2019=1,520

- End of 2020=1,580
- Anticipate completing District's WP#2 by end of 2020

**B. Authorize Engineer to prepare plans and specifications for water and wastewater systems projects as necessary**

- The Board noted that no action was necessary.

**C. Report on status of project funding and take necessary action related thereto**

**1. Project One Year Warranty Expiration Dates**

- 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 anticipates using remaining funds for Water Plant No. 2 project.

**3. 2009 TWDB CWSRF Loan**

- Jacobs anticipates using remaining funds for Fresno Gardens North Subdivision Wastewater Collection System project.

**4. Fourth TWDB Loan and Third TWDB CWSRF Loan**

- 4<sup>th</sup> TWDB DFUND Loan
  - Jacobs is working with District Attorney to obtain a new loan for approximately \$1,640,000 to cover additional costs to complete Water Plant No. 2 project.
- 3<sup>rd</sup> TWDB CWSRF Loan
  - Jacobs is working with District Attorney to obtain a new loan for approximately \$12,550,000 needed to cover additional costs to complete the Fresno Gardens North Subdivision Wastewater System, Gateway Acres Subdivision Wastewater System, Fresno Ranchos Subdivision Lift Station and Force Main project, and an Expansion to the CoA Wastewater Treatment Plant (from 0.25MGD to 0.425MGD).

**5. Fort Bend County CDBG Funds**

- Jacobs recommends applying for community development block grant funds once the Gateway Acres Subdivision Wastewater plumbing project is underway.

**D. Projections for District Water and Wastewater Projects**

- Need to update information every January and July. Exhibits were not updated as no changes to existing exhibits were needed.

**E. Discuss Emergency Preparedness Plan**

- Emergency Preparedness Plan will be reviewed in April 2019 to determine if any updates are required.

**F. Requests for Water and Sanitary 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**

- Mr. Dybala reported that all prior approved adjustments to the waterline along Trammel Fresno Road from California Road to FM 521 have been completed.

**H. Potential Emergency Water Interconnect with Brazoria County Municipal Utility District No. 21**

- Mr. Dybala reported that he had communicated with LJA, District Engineer for Brazoria County Municipal Utility District No. 21 (“BCMUD 21”), regarding a possible emergency water interconnect. BCMUD 21 is interested in pursuing an interconnect once the District completes Water Plant No. 2.

**H. Potential Emergency Water Interconnect with BCMUD 141**

- Jacobs has received a copy of the final construction plans and requested a copy of the record drawings once work is complete. Mr. Dybala anticipates construction of the emergency water interconnect with Brazoria County Municipal Utility District No. 141 would be complete in late 2018.

Upon motion made by Supervisor Fleck, and seconded by Supervisor Casher, and after full discussion, 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. Upon a motion by Supervisor Fleck, seconded by Supervisor Casher, and after full discussion the Board voted to authorize the District to provide free water taps to the four property owners served by Aqua Texas, a private utility provider (“Aqua”), should those property owners obtain permission from Aqua to be provided water and wastewater utilities by the District.

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PASSED, ADOPTED, and APPROVED this 9/20/18

Calvin Casher  
Secretary

