

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

May 16, 2019

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 May 16, 2019, 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 Medina, thus constituting a quorum.

Also present at the meeting were: David Dybala with Jacobs Engineering Group, Inc. (“Jacobs”), the District’s Engineer; Cyndy Grimes with Municipal Accounts & Consulting, LP, the District’s Bookkeeper (“MAC”); Brea Campbell with Environmental Development Partners, the District’s Operator (“EDP”); members of the public, the names of whom are on file in the official records of the District; and Michael R. 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. Grimes, 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 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.

2. TAX REPORT

Ms. Grimes then presented to the Board the Tax Report.

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

3. ENGINEER'S REPORT

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

A. Status of Projects

1. Wastewater Service to Fresno Gardens North, Gateway Acres and Fresno Ranchos; F.M. 521 Sanitary Sewer Extension; and Water Plant No. 2

- Fresno Gardens North Subdivision Wastewater Collection System
 - Jacobs received approval of construction documents from all local review agencies this week. Jacobs will submit the construction documents to the Texas Water Development Board ("TWDB") next week for its approval to advertise the project, which is anticipated to be in June.
- Fresno Gardens North Subdivision Wastewater Plumbing Contract
 - Townhall meetings are anticipated to start in August. Jacobs, EDP and SK Law will meet on May 29, 2019 to discuss improvements on the plumbing project and town hall meeting process. In June or July, the consultants will discuss these ideas with the Board for consideration and approval.
- 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. Jacobs recommends conducting a topographical survey of the Trammel Fresno Road right-of-way once the road project is completed.
- 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
 - Mr. Dybala presented to the Board the proposal from Reddico Construction Company ("Reddico") to complete the project, in the amount of \$571,948.00 (the "Proposal"). In connection therewith, Mr. Dybala also presented the proposed construction contract (the "Contract"). Upon motion duly made by Supervisor

Hamilton, seconded by Supervisor Casher, the Board voted unanimously to approve the Proposal and award the Contract, subject to SK Law's receipt and review of the required bonds and insurance.

- **Water Plant #2**
 - Jacobs received agency review comments from FBC Engineering, FBC Road and Bridge, FBC Fire Marshall, Centerpoint and Frontier; and has incorporated the requested changes in the plan set.
 - Jacobs resubmitted the drainage study and plan to the FBC Drainage District, which incorporated its new drainage design criteria with increased rainfall data. Jacobs is waiting for its review, comment and approval. Once approved, this information will be submitted to the City of Pearland for review, comment and approval.
 - Jacobs received the new well permit from the Fort Bend County Subsidence District.
 - In June, Jacobs anticipates (a) having all above agency comments addressed and preparing final mylars of the construction plans for agency approval, which should be completed in July; and (b) submitting construction documents to the Texas Commission on Environmental Quality ("TCEQ") for its approval.
 - Once all of the above is completed and approved, Jacobs will send the construction documents to the TWDB. Jacobs anticipates TWDB approval to advertise the project in October.
 - District Est. Water Conn. Timeline (FBCFWSD#1 WP#1 Connection Capacity 1,600)
 - o End of 2019=1,550
 - o End of 2020=1,600
 - o Anticipate completing District's WP#2 by mid-2021

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

- None at this time.

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 TWBD Loan and Third TWDB CWSRF Loan

- 4th TWBD DFUND Loan
 - The District's financial assistance application is pending with the TWDB.
- 3rd TWDB CWSRF Loan
 - Jacobs is working on the engineering and environmental sections for this application. These funds will be used 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.

E. Discuss Emergency Preparedness Plan

- Jacobs reviewed the Emergency Preparedness Plan (“EPP”) and recommended no updates, except for contact information and personnel changes. EDP will submit such information on the District’s behalf.

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 have been completed.
- EDP will coordinate with Fort Bend County Municipal Utility District No. 23 regarding repairs to the emergency interconnect vault caused by the roadway project.

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.

I. COA WWTP Expansion Status

- Per communications last month with the City of Arcola’s Engineer, the project should be completed within the next couple of months.

J. Potential Emergency Water Interconnect with Charleston MUD

- No new updates.

K. Potential Water Service to NalcoChampion

- No new updates.

L. Potential Wastewater Service to Spanish Congregation of Jehovah’s Witnesses Fresno

- Mr. Dybala discussed this issue with the Board. Upon motion duly made by Supervisor Casher, and seconded by Supervisor Fleck, the Board voted unanimously to authorize construction of a small private line, inspected by EDP, to serve the property. Once the public line is accessible to the property, it must be connected.

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

4. 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 ten (10) locations;
- Replaced a booster pump motor under warranty;

1. Consumer Confidence Report ("CCR")

Ms. Campbell presented the CCR for approval. EDP will provide an electronic link to the CCR to all customers prior to the July 1, 2019 deadline.

2. Critical Load Facility List

A copy of the Critical Facility List to be provided to the District's retail electrical provider, the State of Texas and Fort Bend County is attached to the Operator's Report.

3. Water Loss Audit Annual Report

EDP completed the Water Loss Audit Report for the District and submitted it to the TWDB.

4. TWDB Water Conservation Plan Annual Report

EDP completed and submitted the TWDB Water Conservation Plan Annual Report.

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.

Supervisor Carreon requested that he and Ms. Campbell investigate, and test two fire hydrants located on Alice Road. Upon a motion duly made by Supervisor Fleck, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve the Operator's Report and approve the termination list.

5. 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 18, 2019, 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 meetings held on April 18, 2019, as presented.

B. Regional Plant Committee Report

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

Upon a motion made by Supervisor Carreon, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve the Regional Plant Committee Report.

C. Regional Facilities Contract

No action was taken in connection with the Regional Facilities Contract.

D. Five Year Financing Plan

No action was taken in connection with the Five-Year Financing Plan.

E. Application to Texas Water Development Board for Project and Issuance of Bonds, Series 2019

Mr. Willis updated the board on the application.

F. Order Adopting Code Of Ethics And Establishing Policies Relating To Travel Expenditure, Fees Of Office, Professional Services, Financial Accounting, Annual Operating Budget, Audit Committee And Meeting Conduct (“Ethics Order”)

Consideration was then given to the Ethics Order.

Upon a motion duly made by Supervisor Fleck and seconded by Supervisor Casher, the Board by unanimous vote approved the Ethics order, a copy of which is on file in the official records of the District.

G. FM 521 Sanitary Sewer Extension

No action was taken in connection with this matter.

H. Resolution Regarding Annual Review of Emergency Preparedness Plan (the “Plan Resolution”)

Mr. Willis next presented to the Board the Plan Resolution, noting Mr. Dybala’s previous recommendations.

Upon motion duly made by Supervisor Hamilton, seconded by Supervisor Casher, the Board voted unanimously to approve the Plan Resolution.

I. Resolution Adopting Post Issuance Compliance Policy

The Board noted that this policy was adopted at the last meeting. No further action was necessary.

J. Unclaimed Property Report (the "Report")

The Board then considered the Report and noted the Bookkeeper's recommendations concerning unclaimed property.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Fleck, the Board voted unanimously to approve the Report. A copy of the Report is on file in the official records of the District.

K. Order Evidencing Review of Water Conservation Plan

The Board deferred action on this matter.

L. Arbitrage Compliance Report (the "Arbitrage Report")

Mr. Willis then presented to the Board the Arbitrage Report, prepared by Municipal Risk Management Group.

Upon motion duly made by Supervisor Fleck, seconded by Supervisor Carreon, the Board voted unanimously to approve the Arbitrage Report. A copy of the Arbitrage Report is on file in the official records of the District.

M. Right of Entry Agreement with Fort Bend County Subsidence District (the "Agreement")

The Board deferred action on the Agreement.

6. 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 6/20/17.

Calvin C. Casher
Secretary

