

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

July 16, 2020

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 Thursday, July 16, 2020, at 6:00 p.m., via video and telephonic conference, as permitted by the March 16, 2020, Declaration by the Governor of the State of Texas which suspended certain provisions of Chapter 551, Texas Government Code. The roll was called of the 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, thus constituting a quorum.

Also present at the meeting were: Cindy Grimes with Municipal Accounts & Consulting, LP, the District's Bookkeeper ("MAC"); David Dybala with Jacobs Engineering Group, Inc. ("Jacobs"), the District's Engineer; Breah Campbell with Environmental Development Partners ("EDP"), the District's Operator; Dwayne Grigar with Fort Bend County Precinct No. 1; Kane Mudd with LJA Engineering, Inc.; Eugene Koh, a member of the public; and Michael R. Willis and Tamara Sharkey of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), the District's Attorney.

Annie Lee, a member of the public, joined the meeting already in progress.

The meeting was called to order at 6:01 p.m. and the following business was transacted.

1. HEAR FROM PUBLIC (MATTERS ON THE AGENDA)

The Board recognized Eugene Koh, who addressed the Board concerning an agreement between himself and R Construction Company ("R Construction") for the use of his property at 4098 W. Davis Road for dirt disposal related to the District's contract with R Construction. Mr. Koh informed the Board that he and R Construction have a dispute, and described the dispute to the Board. The Board thanked Mr. Koh for the information, and noted the dispute concerning dirt disposal is between Mr. Koh and R Construction, so the District cannot enforce the terms of Mr. Koh's agreement with R Construction. Mr. Dybala stated he would contact R Construction about the dispute with Mr. Koh.

2. 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.

A. Repairs to Water and Wastewater systems

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

- Installed residential taps and meters at seven locations;
- Completed booster pump piping repair, replaced the A/C unit, and completed annual generator PM for the water plant; and
- Repaired two fire hydrants.

Ms. Campbell informed the Board customers received notice on their bills the 2019 Consumer Confidence Report is posted to the website.

Ms. Campbell presented to the Board the costs for installation of reflective collars compared to reflective tape on the fire hydrants. The reflective tape would cost approximately \$14.38 per hydrant and the collars would cost approximately \$21.25 per hydrant initially, however the collars are removable and the tape would require reapplication after maintenance of the hydrant. Supervisor Medina requested additional information on the color scheme for the hydrants, and Ms. Campbell and Mr. Dybala discussed the color requirements of the applicable cities and the additional color codes indicating main sizes.

Ms. Campbell then reported a booster pump failed during a recent storm and, to avoid incurring additional rental pump costs, an emergency repair was performed. Ms. Campbell informed the Board an insurance claim for the pump is in process. Ms. Campbell requested the Board's approval of the repair costs of approximately \$36,000 plus rental pump costs.

B. Requests for Water Taps

Ms. Campbell did not report any requests at this time.

C. Delinquent Water Accounts and Service Terminations

Ms. Campbell provided a list of customers that received a delinquent letter by mail and are subject to disconnection of service. Ms. Campbell also presented a list of 8 accounts eligible for write-off, approximately \$4,250.70, for the Board's consideration.

In response to questions from Supervisors Fleck and Rodrigo, Ms. Campbell discussed the repairs performed on several of the hydrants in the District.

Upon a motion duly made by Supervisor Fleck, seconded by Supervisor Casher, and after full discussion, the Board voted unanimously to approve (1) the Operator's Report; (2) the booster pump emergency repair costs of approximately \$36,000 plus rental pump costs; (3) the installation of reflective hydrant collars for approximately \$21.25 per hydrant; and (iv) the termination list and account write-offs.

At this time, Ms. Campbell left the meeting.

3. STEWART HEIGHTS DEVELOPMENT DRAINAGE PLAN

The Board next recognized Mr. Mudd, who presented to the Board the land plan for the Lakes of Savannah subdivision and discussed the planned drainage improvements and potential impact on drainage in the area. Mr. Mudd discussed the process for drainage plan approval with Fort Bend County and Brazoria County, and the Lakes of Savannah is designed with large drainage reserves and channels to

handle the outflow from Teleview Terrace and Ridgewood when water levels exceed the capacity of the existing drainage system.

At this time, Mr. Mudd left the meeting.

4. BOOKKEEPER'S REPORT

The Board then 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.

Ms. Grimes noted there are additional capital outlays for Fresno Gardens Wastewater Collection System and recommended the Board amend the budget to reflect the additional expenses of approximately \$1,453,857.

Upon motion duly made by Supervisor Hamilton, seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve (i) the Bookkeeper's Report and authorize the payment of the checks and invoices listed therein and (ii) the amended budget.

5. TAX REPORT

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

A. Approval of Tax Write-Offs

The Board then considered the tax account write-offs recommended by the Fort Bend County Tax Assessor/Collector presented by Mr. Willis, a copy of which is on file in the official records of the District.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Carreon, the Board voted unanimously to approve (i) the Tax Report, as presented, and (ii) the tax account write-offs.

6. ENGINEER'S REPORT

The Board recognized Mr. Dybala, who presented the Engineer's Report, a copy of which is on file in the official records of the District, as follows:

A. Status of Projects

- Fresno Gardens North Subdivision Wastewater Collection System
 - Mr. Dybala anticipates project completion in July of 2020.
 - Completion of punch-list items is anticipated this week, after which Jacobs and TWBD will perform a final walkthrough. Mr. Dybala anticipates presenting closeout documents at the next meeting. Mr. Dybala informed the Board the owner of Quality Paint and Body did not have additional repair items for the Board's consideration.
 - Mr. Dybala presented to the Board for approval Invoice No. 7 from Geotest Engineering, Inc. ("Geotest") in the amount of \$1,270.75, and recommended approval.

- Fresno Gardens North Subdivision Wastewater Plumbing Contract
 - The project is currently being advertised in the Houston Chronicle and the pre-bid is scheduled for next week. Mr. Dybala requested the Board authorize a supervisor to approve the award of the bid after the bid opening meeting so contracts can be prepared prior to the next Board meeting. The Board nominated Supervisor Hamilton to award the winning bid.
 - Mr. Dybala anticipates:
 - 1st Advertisement – July 9, 2020
 - 2nd Advertisement – July 16, 2020
 - Pre-bid meeting – July 21, 2020
 - Bid Opening meeting – July 30, 2020
 - Contract and Geotest Proposal Execution – August 20, 2020
 - Construction – August/September 2020 to December 2020/January 2021
 - Mr. Dybala informed the Board he again contacted Mr. Kevin Murray, as discussed at previous meetings, his properties would no longer be included in the project without a change order, but received no response.

- Gateway Acres Subdivision Wastewater Collection System
 - The construction project will be on hold until completion of Trammel Fresno Road widening project and securing a new loan.
 - Jacobs is completing the project construction drawings for agency review. Mr. Dybala informed the Board the CAD document is expected in July/August from Landtech, Inc. ("Landtech") for a detailed topographic survey, which is in progress, along Trammel Fresno Road, from approximately Jan St. to Kansas St. (approximately 1.25 miles long for the full ROW width).

- 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 and securing a new loan.
 - The Landtech survey proposal discussed above will also be used for this project.

- Gateway Acres Subdivision Wastewater Plumbing Contract
 - Townhall meetings will be conducted once the public wastewater lines for this area are under construction.

- Water Plant #2
 - Final construction drawings are complete, and Jacobs has submitted them for final agency signatures and approvals. Once approved by TCEQ, the construction documents will be submitted for TWBD approval to advertise the project.
 - Jacobs anticipates approval in August of 2020 and then advertising for the project can commence.
 - District Estimated Water Connection Timeline (FBCFWSD#1 WP#1 Connection Capacity = 1,750)
 - End of 2020=1,675
 - End of 2021=1,750
 - Anticipate completing District's WP#2 by end of 2021 or early 2022.

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

- The Board noted that no action was necessary at this time.

C. Authorize solicitation/advertisement of bids for construction of water system and wastewater system projects as necessary

- The Board noted that no action was necessary at this time.

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

1. Project One Year Warranty Expiration Dates

- FM 521 Wastewater Extension warranty expires August 15, 2020.

2. 2015 TWDB DFUND Loan

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

3. 4th TWDB DFUND Loan

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

4. 2020 TCEQ Loan

- The anticipated loan amount is approximately \$10,450,000 and would fund the following projects: Gateway Acres Subdivision Wastewater Collection System, Fresno Ranchos Subdivision Lift Station and Force Main project, and certain costs related to the District's share of an Expansion of the City of Arcola (the "City" or "COA") Wastewater Treatment Plant.
- The bond application report is in process and Jacobs is currently waiting for additional information from COA.

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.

E. Projections for District Water and Wastewater Projects

- Need to update information every January and July. Mr. Dybala presented the updated exhibits for the website and project display boards.

F. Discuss Emergency Preparedness Plan

- Jacobs and EDP will review the EPP in April of each year to determine if changes are necessary.

G. Requests for Water and Sanitary Sewer Service

- **Water Service**
 - Mr. Dybala reviewed the status of non-residential applications for water service, updates on applications in process, and pending connections. The application from St. Peters & St. Pauls Orthodox Church of Houston has been approved by Jacobs and EDP and Mr. Dybala requests the Board's approval.
- **Wastewater Service**
 - Mr. Dybala reviewed the status of non-residential applications for wastewater service and pending connections. Mr. Dybala informed the Board Stop N' Grubb (mobile food truck) is working with EDP on its application.

H. Trammel Fresno Road Widening Project

- EDP is preparing the final waterline adjustment list to present to the Board.

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

- Brazoria County Municipal Utility District No. 21 ("BC MUD 21") is interested in pursuing an interconnect once the District completes Water Plant No. 2 with a 50/50 cost split.

J. Emergency Water Interconnect with Charleston Municipal Utility District

- The proposed interconnect with Charleston Municipal Utility District ("Charleston MUD") is waiting for TCEQ approval. Jacobs received a copy of the final emergency interconnect agreement. A pre-construction meeting was reportedly conducted on March 17, 2020. Mr. Dybala spoke with COA consultants who informed him the project has not yet finished, but once it is complete, record drawings will be provided to the District.

K. Consider Water Service to NalcoChampion

- Mr. Dybala noted the customer was informed it can apply for District water service that can be used to fill water tanks for fire event use.

L. Status of COA Water Plant

- Mr. Dybala anticipates the City water plant to be complete by the end of 2021.

M. Status of COA WWTP Expansion Project (0.675 mgd to 0.95 mgd)

- The Board responded to the City stating the District’s interest in participating in the proposed expansion and reserving a capacity of 100,000 gpd. As discussed at prior meetings, COA is finalizing the estimate and Jacobs will present the District’s estimated share when the estimate is available.

N. FM 521 Roadway Widening Project

- Provided record drawings to Dannenbaum and a utility coordination meeting is expected in the coming months to discuss impact on District facilities.

O. Water Plant No. 1 Inspection

- Both hydropneumatics tanks require recoating of internal surfaces, a ground storage tank requires recoating, and some piping and equipment will need to be replaced per EDP’s inspection report. A repair schedule and plan will be presented once final reports are received and the project is anticipated to begin in winter of 2020.

Upon motion made by Supervisor Casher, and seconded by Supervisor Fleck, and after full discussion, the Board voted unanimously to approve the (i) approve the Engineer’s Report; (ii) approve Invoice No. 7 from Geotest in the amount of \$1,270.75; (iii) accept bids and award the Fresno Gardens North Subdivision Wastewater Plumbing Contract, subject to approval by Supervisor Hamilton; and (iv) approve the water service application for St Peters & St. Pauls Orthodox Church of Houston.

7. 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 June 18, 2020 was presented for approval.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Fleck, the Board voted unanimously to approve the minutes of the meeting held on June 18, 2020, as presented.

B. Discuss Regional Facilities Contract

Mr. Willis noted the TCEQ inspection of the Regional Wastewater Treatment Plant, as discussed at previous meetings, is still being reviewed with the City of Arcola for a potential issue on ESFCs. Once resolved, Mr. Willis will update the Board.

C. Discuss Purchases for District Business

Consideration was then given to authorizing the District’s purchase of tablets for the Supervisors’ use for District business, as discussed at previous meetings. Supervisor Fleck presented an updated summary of costs involved and the merits of devices for use in District business, including possible devices (particularly tablets) and internet providers, as well as the costs of each. The consensus of the Board was to purchase five iPad Pros with warranties and service through AT&T at the sale price quoted, as well as keyboard and cases for the tablets.

Upon a motion made by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve the purchase of five iPad Pros with warranties and service through AT&T, as well as keyboard and cases for the tablets, in a total amount not to exceed \$6,500.

8. REGIONAL PLANT COMMITTEE REPORT

Supervisor Hamilton then presented the Regional Plant Committee Report.

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

9. HEAR FROM THE PUBLIC.

The Board recognized Mr. Koh who requested Mr. Dybala and Mr. Willis, during closeout for the Fresno Gardens North Wastewater Collection System, review the District's contracts with R Construction and see if there are any provisions that could prevent paying the reserved amounts until R Construction acts on the issues caused by the dirt disposal on Mr. Koh's property.

There being no further business to come before the Board, upon a motion duly made and seconded, the Board voted unanimously to adjourn.

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PASSED, ADOPTED, and APPROVED this August 20, 2020.


Secretary, Board of Supervisors

