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

December 17, 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, December 17, 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
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Rosa Linda Medina	Assistant Secretary
Erasto Vallejo	Supervisor

All members of the Board were present, except Supervisor Vallejo, 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; Bart Downum with Environmental Development Partners ("EDP"), the District's Operator; Greg Fleck, the District's Tax Assessor/Collector; Charles Coyle, 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.

The meeting was called to order at 6:03 p.m. and the following business was transacted.

1. HEAR FROM PUBLIC (MATTERS ON THE AGENDA)

The Board recognized Mr. Coyle who requested the Board consider classifying his property as all residential for water and sewer service purposes, as discussed at previous meetings, and indicated he does not operate a business out of the outbuilding. The Board noted this would be discussed with the Engineer's Report later in the meeting.

2. QUALIFICATIONS OF SUPERVISORS

The Official Oath of Office and Sworn Statement of Supervisors Medina and Vallejo were then presented for approval. The Board noted that both Supervisors had executed the Sworn Statement and taken the Oath of Office, in accordance with the provisions of Section 49.055 of the Texas Water Code.

Upon motion made by Supervisor Casher, and seconded by Supervisor Carreon, the Board voted unanimously to accept said Sworn Statements and Oaths and to authorize that each be filed and retained in the District's official records, and that such Oaths be filed with the Secretary of State of the State of Texas.

3. ELECTION OF OFFICERS

The Board then discussed the election of officers.

Upon motion made by Supervisor Casher, and seconded by Supervisor Medina, the Board voted unanimously to establish the offices listed below and to elect the following slate of officers:

Paul Hamilton	President
Rosa Linda Medina	Vice President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Erasto Vallejo	Assistant Secretary

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, including Pay Application No. 1 from T Construction for project construction for $80,892.00 and Invoice No. 2 from Geotest for material testing services for $1,596.40, as discussed later in the meeting during the Engineer's Report.

B. Review Investment Report.

The Board reviewed the investment report.

C. Review Collateral Pledge Report.

The Board reviewed the Collateral Pledge report.

D. Approve Budget for FYE 2021

Ms. Grimes also presented to the Board the proposed budget for the fiscal year ending December of 2021.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Carreon, 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, including (i) the payment of Pay Application No. 1 from T Construction for $80,892.00 and (ii) payment of Invoice No. 2 from Geotest for $1,596.40.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously to approve the budget for the fiscal year ending in December of 2021.

5. TAX REPORT

The Board recognized Mr. Fleck, who then presented the Tax Report, a copy of which is on file in the official records of the District.

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

6. ENGINEER'S REPORT

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

(a) Report on status of projects:

i) Fresno Gardens North Subdivision Wastewater Plumbing Contract (currently 67 properties included)

- Project is currently under construction…all homes within project have been connected to District's wastewater collection system…Contractor is currently in process of decommissioning remaining septic tanks and working on addressing punchlist items

- Request Board approval of Pay Application No. 1 from T Construction for construction of project for $80,892.00

- Request Board approval of Invoice No. 2 from Geotest for material testing services for $1,596.40

- Anticipate construction activities to be completed in January and all final paperwork completed in February

ii) Water Plant #2

- Contract documents have been executed and provided to TWDB for their approval…SKLaw ("DA") finalized the COI with B-5 Construction Co…once the TWDB approve documents a pre-construction meeting for the project can be scheduled and a Notice to Proceed date set. Received TWBD approval letter ahead of tonight's meeting.

- Request Board's approval of proposal from Preventive Services for performing coating inspections for the project for $8,900.00

- Request Board's approval of proposal from Terracon for performing material testing services for the project for $28,074.00

- Anticipated Schedule:

    - January 2021 – March 2022 - Construction

- District Est. Water Conn. Timeline (WP#1 Conn. Capacity = 1,750)

    - End of 2020 = 1,675

    - End of 2021 = 1,750

iii) Water Plant #1 Recoat Work (Recoat Internal Surface of HPTs and Floor of GST#1)

- Contract documents have been executed…DA has finalized payment bond and COI with A&H Coating Services LLC

- Anticipate work taking place January through March of next year

iv) Teleview Terrace Subdivision Lift Station Upgrades

- EDP currently in process of adding 3rd lift pump to lift station…EDP to provide status update in their report

- Current lift station, with 2 pumps, is capable of conveying wastewater for 630 ESFCs…With addition of 3rd pump the lift station should be capable of conveying wastewater for over 800 ESFCs

v) Gateway Acres Subdivision Wastewater Collection System

- Jacobs currently in process of completing construction documents for project

- The new District wastewater loan will need to be secured prior to starting construction of this project

vi) Fresno Ranchos Subdivision Wastewater Lift Station and Force Main

- Reference Gateway Acres Subdivision Wastewater Collection System status

vii) Gateway Acres Subdivision Wastewater Plumbing Contract

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

(b) Authorize Engineer to Prepare Plans and Specifications for Water/Wastewater Projects

- no action items

(c) Report on status of project funding and take necessary action related thereto.

- Project One-Year Warranty Expiration Dates
  - Fresno Gardens N Sub WW Collection System…06/17/2021
- 2015 TWDB DFUND Loan…remaining funds will be used for the Water Plant No. 2 project
- 4th TWDB DFUND Loan ($1.745M)…funds will be used to complete the Water Plant No. 2 project
- 2021 TCEQ Loan (estimated at $10.45M) – loan will secure funds for the completion of a) Gateway Acres Sub WW Collection System project b) Fresno Ranchos Sub LS and FM project, and c) CoA WWTP Expansion project…Received estimated cost information from CoA regarding the WWTP Expansion project, which information is currently under review
- FBC CDBG Funds…will apply once Gateway Acres Subdivision WW Plumbing project is underway…applications for funds are typically received in March of each year

(d) Projections for District Water and Wastewater Projects

- request Board approval to update information every January and July

(e) Discuss Emergency Preparedness Plan and take any necessary action related thereto

- review EPP in April each year to determine if any updates are required

(f) Status of Non-Residential Applications for Water Service –

Connections Pending	
Stop N' Grubb (Mobile Food Truck at 3502 Jan Street) - EDP to provide update regarding connection…per EDP, tap letter provided to customer	
St. Peters & St. Pauls Orthodox Church of Houston (3114 Illinois St)	

- EDP to provide update regarding connection…per EDP, tap letter provided to customer. EDP has set the tap and meter

Processing Application	
Fresno Food Mart (1293 Trammel Fresno Road) - received updated drawings from customer and provided additional comments for them to resolve on 09/12/19…original application date of 12/11/18…customer is still working with FBC Engineering and Drainage regarding their plans, including the approval of their on-site wastewater treatment system…customer anticipated full approval of these plans by the end of this year, but plan had to be reworked and this application will need to be resubmitted by customer	
St. James Knanaya Church (Ave C) - waiting for customer to provide plumber's info	
Quality Paint and Body (Pecan Street) - waiting for customer to provide plumber's info. Has provided final drawings to Jacobs	
General Office Space (514 Pecan Street) - waiting for customer to provide plumber's info	

Status of Non-Residential Applications for Wastewater Service –

Processing Application	
Quality Paint and Body (Pecan Street) - waiting for customer to provide plumber's info	
General Office Space (514 Pecan Street) - waiting for customer to provide plumber's info	

Mr. Dybala next discussed with the Board the detached building located at 514 Pecan Street owned by Mr. Coyle. Mr. Dybala stated that during the initial walkthrough for the plumbing project, Jacobs discovered this building and it matched the address used for Mr. Coyle's business. A visual inspection revealed a potential work area. Mr. Coyle has stated he does not use this property for his business, but for guests and his own personal use. The Board noted fees for commercial connections are higher than residential per the District's rate order, but also noted businesses operating out of residential connections is not permitted. Mr. Dybala reminded the Board that he and Mr. Coyle walked through the separate uses permitted for commercial and residential classifications. The Board discussed other options instead of changing the classification, and Mr. Dybala confirmed Mr. Coyle's well has already been plugged and that wells cannot be unplugged. Mr. Downum informed the Board that the cost estimate of approximately $12,000 for a commercial building is only an estimate and will be revised after submission of plans. Mr. Dybala stated that a ¾" line and meter, and a short side tap would be sufficient; and a sanitary sewer lead already terminates at the tie in location. Mr. Dybala noted he will provide the plumbing layout to Mr. Downum for more specific pricing for Mr. Coyle.

(g) Trammel Fresno Road Widening Project

- update from EDP and DA regarding payment being received from roadway contractor as a result to them damaging District waterline. In connection therewith, Mr. Downum confirmed this account was turned over to collections.

(h) Potential Emergency Water Interconnect with BCMUD21

- conducted phone conversation with LJA (Bill Ehler), engineer for BCMUD21, on December 2016 regarding potential emergency water interconnect between our districts

- possible location for interconnect would be at east end of Renfro Burford Road
- BCMUD21 would be interested in pursuing interconnect (50/50 cost split) once FBCFWSD#1 completes its 2nd Water Plant

(i) Emergency Water Interconnect with Charleston MUD – Waiting for CoA to provide status of project and to provide District record drawings once project has been constructed…DA to discuss any new updates on this matter resulting from letter sent to CoA

(j) Status of New CoA WP – CoA anticipates water plant being completed by mid-2022

(k) Status of CoA WWTP Expansion Project (increasing capacity from 0.675 MGD to 0.95 MGD…the District would be receiving an additional 100,000 GPD through this expansion) – Per DA's conversation with Llarance Turner of CoA in December 2020, the construction package for this project should be completed 2/3Q of 2021 and construction of the project should start at the end of 2021 and be completed by the end of 2022…CoA still needs to provide the District a letter documenting all of this, as well as, what the District will owe for this expansion project

(l) FM521 Roadway Widening Project – 30% Utility Coordination meeting was conducted on November 12th…new roadway configuration within District will be a 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, side swales, and sidewalk…it is anticipated that the roadway design plans will be completed in May 2021 and the project will be under construction in May 2023…Jacobs currently reviewing roadway plans provided to determine locations of District waterlines and force main that need to be relocated

Upon motion made by Supervisor Medina, and seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve (i) the Engineer's Report, (ii) the inspection proposal from Preventive Services for $8,900.00, and (iii) the material testing proposal from Terracon for $28,074.00.

7. OPERATOR'S REPORT/TERMINATION OF SERVICE

Next the Board recognized Mr. Downum, 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

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

- Installed residential taps and meters at three locations;
- Completed installation of tap and meter for St. Paul's Church;
- Cleared sewage backup from plugged system;
- Performed annual chlorinator PM on equipment at the water plant;
- Repaired a leaking service line; and
- Repaired a sanitary sewer line.

Mr. Downum reported the installation of the third lift pump at lift station #1was in process.

B. Requests for Water Taps

Mr. Downum did not report any requests at this time.

C. Delinquent Water Accounts and Service Terminations

Mr. Downum provided a list of customers that received a delinquent letter by mail and are subject to disconnection of service.

Upon a motion duly made by Supervisor Carreon, seconded by Supervisor Casher, and after full discussion, the Board voted unanimously to (i) approve the Operator's Report, repairs to the water and wastewater system, and the account termination list.

8. 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 November 17, 2020 were presented for approval.

B. Discuss Regional Facilities Contract

Mr. Willis noted the amendment of the contract with COA, as discussed at previous meetings, is in process.

C. Approve Resolution Regarding Eminent Domain

Mr. Willis next presented to and reviewed with the Board a proposed Resolution Authorizing Filing with Comptroller of Public Accounts of State of Texas Documentation of Eminent Domain Authority and recommended approval of said resolution. Mr. Willis noted that Texas law requires governmental entities with eminent domain authority to report annually to the Comptroller certain information relating to the District's eminent domain authority.

Upon motion by Supervisor Medina, seconded by Supervisor Casher, the Board voted unanimously to (i) approve the minutes of the meeting held on November 17, 2020, subject to inclusion of comments from Supervisor Rodrigo, and (ii) adopt the Resolution Authorizing Filing with Comptroller of Public Accounts of State of Texas Documentation of Eminent Domain Authority.

9. REGIONAL PLANT COMMITTEE REPORT

Supervisor Hamilton then presented the Regional Plant Committee Report.

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

10. HEAR FROM THE PUBLIC.

At this time, the Board recognized Mr. Coyle and discussed reviewing the classification of the detached building on his property at the next meeting, after Mr. Coyle has received the updated cost estimate from EDP. Supervisor Rodrigo also suggested Mr. Coyle submit proof of use of the detached building as residential, such as CAD records, to the Board for its review.

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 January 21, 2021.

Secretary, Board of Supervisors