

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

August 19, 2021

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, August 19, 2021, 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
Rosa Linda Medina	Vice-President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Erasto Vallejo	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 Smalling with Robert W. Baird & Co., Inc ("Baird"), the District's Financial Advisor; David Dybala with Jacobs Engineering Group, Inc. ("Jacobs"), the District's Engineer; Bart Downum with Environmental Development Partners ("EDP"), the District's Operator; Dwayne Grigar with Fort Bend County Precinct No. 1; Juanita Torres and Shelly Ballard, members 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 6:05 p.m. and the following business was transacted.

1. HEAR FROM PUBLIC (MATTERS ON THE AGENDA)

The Board recognized Ms. Torres who requested information regarding the District's wastewater project schedule. The Board informed Ms. Torres the town hall meeting schedule would be announced closer to the project signup.

2. DISCUSS 2021 TAX LEVY AND CALL PUBLIC HEARING

The Board recognized Mr. Smalling and considered the Tax Rate Analysis prepared by Baird. After discussion with Mr. Smalling, the Board determined that the District is continuing to develop and should be classified under Section 49.23603, Texas Water Code. The Financial Advisor recommended a debt service tax rate of \$0.59 per \$100 of assessed valuation and an operation and maintenance tax rate of \$0.41 per \$100 of assessed valuation for a total tax rate of \$1.00 per \$100 of assessed valuation. Mr. Willis reminded the Board the process of setting the tax rate has two steps. The first step is to establish a proposed tax rate, call a public hearing on the proposed tax rate, and authorize publication of notice of the proposed tax rate and public hearing in a newspaper of general circulation in Fort Bend County. The second step is to conduct the public hearing and officially set the tax rate.

Upon a motion made by Supervisor Casher, seconded by Supervisor Vallejo, and after full discussion, the Board voted unanimously to (1) establish its intent to set and levy for 2021 (i) a debt service tax rate in the amount of \$0.59 per \$100 of assessed valuation, and (ii) an operation and maintenance tax rate of \$0.41 per \$100 of assessed valuation, for a total tax rate of \$1.00 per \$100 of assessed valuation, (2) to call a public hearing on the proposed tax rate for Thursday, September 16, 2021, 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.

At this time, Mr. Smalling left the meeting.

3. DISCUSS PROVISION OF ADDITIONAL WATER CAPACITY TO CITY OF ARCOLA

The Board considered the request of the City of Arcola (“CoA”) for additional water capacity as discussed at previous meetings and recognized Mr. Willis who reported the City had not yet provided comments to the proposed agreement for additional connections.

The Board noted there was no action necessary at this time.

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 the invoices discussed in more detail under 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.

Ms. Grimes also informed the Board she and CoA have discovered a billing discrepancy. Ms. Grimes is reviewing previous bills and will present the final amount at the next meeting. Ms. Grimes reported CoA requested the District reimburse CoA for the amount overbilled, and then CoA would reimburse the District for its overpayment. Mr. Willis noted the reimbursements to CoA and the District should be made concurrently when ready.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Carreon, the Board voted unanimously to (i) approve the Bookkeeper’s Report, as presented, and (ii) authorize the payment of the checks and invoices listed therein, including the invoices discussed under the Engineer’s Report.

5. TAX ASSESSOR/COLLECTOR'S REPORT

The Board next considered the Tax Assessor/Collector's Report, presented by Ms. Grimes. A copy of the Tax Assessor/Collector's Report is attached to the Bookkeeper's Report, and 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 Assessor/Collector's 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) Water Plant #1 Recoat Work

- Project complete.
- Request Board's approval of PE#2 from A&H Coating Services (construction) and Invoice #2 from Preventive Services (inspections) for \$16,017.50 and \$2,500.00, respectively

ii) Water Plant #2

- Project currently under construction...Contractor has completed the off-site waterline, including tie-ins with District's existing waterlines...Contractor is currently in process of completing foundation work for the HPTs and GST...Alsay (well driller) is currently on site working on drilling pilot hole
- Request Board's approval of Pay Estimates No. 4 from B-5 Construction Co. for construction of the project for \$83,238.75
- Request Board's approval of Invoice No. 5 from Terracon for material testing services for \$3,205.75
- Anticipate construction being completed by mid-2022
- District Est. Water Conn. Timeline (FBCFWSD#1 WP#1 Conn. Capacity = 1,875 when temporary water service agreement gets signed by CoA)
 - End of 2021 = 1,750
 - Mid 2022 = 1,785

iii) Gateway Acres Subdivision Wastewater Collection System

- Final design comments are being addressed and construction plans are anticipated to be ready for submission to the review agencies by the end of this month...construction plans will be submitted to the TCEQ, CoH, FBC Engineering and Drainage, Centerpoint, AT&T and Frontier for comment/approval

iv) Fresno Ranchos Subdivision Wastewater Lift Station and Force Main

- Final design comments are being addressed and construction plans are anticipated to be ready for submission to the review agencies by the end of this month...construction plans will be submitted to the TCEQ, CoH, FBC Engineering and Drainage, Centerpoint, AT&T and Frontier for comment/approval

v) Gateway Acres Subdivision Wastewater Plumbing Contract

- Tentative Schedule (actual schedule dependent on when construction plans are bid ready and TCEQ loan secured, which is anticipated to occur by the end of this year...could be impacted by available WWTP capacity, which temporary water service agreement is needed to resolve):
 - o Townhall Meetings (potentially with FBC CDBG assistance) – January thru May 2022 (once a month)...breaking GA into three sections, with each section having its own meeting in January thru March...April and May would be a general meeting for all sections...utilizing this plan, all sections would have three opportunities to attend a meeting
 - o Anticipate Gateway Acres Sub WW Collection System project being completed in 4Q of 2022, with the plumbing project starting construction immediately afterwards

(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 Plumbing Project...01/15/2022
- 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 (\$10.45M) – BAR was submitted to the TCEQ and declared administratively complete on August 2nd...BAR is currently under technical review...DA working on scheduling a meeting with TCEQ reviewer to discuss contents of BAR in an effort to expedite their review...anticipate funds being available at the end of this year...funds from the BAR are needed to fund 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
- FBC CDBG Funds...will pursue funding source for future plumbing projects...reapply for funds in Sept after census completed

(d) Projections for District Water and Wastewater Projects

- request Board approval to update information every January and July...updated, overall District water and wastewater project exhibits have been completed and are included with this report...updated exhibits have been placed on the District's website by the DA

(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
- will need to coordinate with EDP for completion of AWIA emergency response plan that needs to be completed by the end of this year

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

Connected:	
4320 Doreen Avenue (Multi-Family Dwelling)	Interconnect with FBCMUD23
293 Teakwood Avenue (Multi-Family Dwelling)	La Fresno Food Mart
297 Teakwood Avenue (Multi-Family Dwelling)	Lou’s Back Porch
Church of God of Prophecy	LT No Limits
Crossroad Market	Mustang Community Center
Dollar General	MVP Auto Parts (Domestic & FW)
Enriquez Tire Shop (East Palm)	New Quality Life Ministries (Church)
FBC Water Connection at Water Plant	New Quality Life Ministries (Restaurant)
First Baptist Church of Fresno (Domestic & FW)	Papa Nick’s BBQ Kitchen – Mobile Food Truck
Fresno Gym (3941 FM 521)	PMC International Tire Shop
Fresno Market – FM521 (Domestic & Irrigation)	Quality Paint and Body (Pecan Street)
Fresno Motor	Richard Martini-Rental Livestock Pasture
Fresno Mount Corinth Baptist Church	Robbins Nest for Children (Domestic & FW)
Fresno Volunteer Fire Department	St. James Knanaya Church – Fire Tap
F&R Tax	St. Peters & St. Pauls Orthodox Church of Houston
General Office Space (514 Pecan Street)	Swingby#3 Gas Station (Domestic & Irrigation)
Gulf Coast LP Gas Company	Teleview Terrace Subdivision Lift Station
HEFCO Enterprises	Tiny Toes Academy
Iglesia Bautista Del Calvario Church	Tire Shop at 1739A Trammel Fresno
Iglesia Principe De Paz Church	Valero Gas Station
Interconnect with City of Arcola	Welcome Foods

Connections Pending:	

Processing Application:	
St. James Knanaya Church (Ave C)	
- customer working on coordinating a meeting between Jacobs and EDP and their engineer and fire system designer to discuss their proposed plan...informed customer that application is over a year old (submitted on 12/2019) and subject to being considered expired...per customer, they have had prior issues with FBC approving drainage plan for site	
Fresno Food Mart (Trammel Fresno Rd)	
- waiting on all required docs to complete application (this is second application from customer as previous application had expired)...application submitted in April 2021	

Status of Non-Residential Applications for Wastewater Service –

Connected:	
4320 Doreen Avenue (Multi-Family Dwelling)	General Office Space (514 Pecan Street)
293 Teakwood Avenue (Multi-Family Dwelling)	Mustang Comm Center (minus field bathrooms)
297 Teakwood Avenue (Multi-Family Dwelling)	New Quality Life Ministries (Church)
Church of God of Prophecy	New Quality Life Ministries (Restaurant)

First Baptist Church of Fresno	Quality Paint and Body (Pecan Street)
Fresno Volunteer Fire Department	

Connections Pending:	

Processing Application:	

(g) 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

(h) Status of New CoA WP – CoA anticipates their water plant being completed by mid-2022...completion date may be extended due to recent water sampling results...once completed, interconnect with CoA will become an emergency water interconnect and the District will owe funds to CoA, per the RFC, for taking back 500 connections worth of water service (plus 125 connections, if temporary water service agreement is finalized)...if it is determined later that there will be a significant delay in the completion of the CoA WP, then the District may want to consider conducting an elevated storage tank waiver application with the TCEQ for additional water connections

(i) 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 of capacity through this expansion) –

DA is coordinating this matter with the CoA by means of the temporary water service agreement, which would require a) a study to be submitted to the TCEQ in an attempt to re-rate the WWTP from 350 gpd/connection to some lessor amount and b) require the WWTP expansion project to be completed on or before June 2024...Currently, per the RFC, the District is only capable of providing wastewater service to 714 connections

(j) Roadway Widening Projects Within District (which will require utility and service line relocations):

- **FM521 Roadway Widening Project:**

o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, side swales, and sidewalk

o **Schedule** –

- 30% Utility Coordination meeting was conducted in November 2020
- 60% Utility Coordination meeting???...waiting for TxDOT to coordinate

- Anticipate 100% completed construction plans by the end of this year
 - Anticipate coordinating necessary water and wastewater utility relocations by mid-2022
 - Anticipate roadway widening project to start construction in 2023
- **South Post Oak Boulevard Widening Project:**
- **Scope** – Increased ROW width, with 2 lane road and additional lanes throughout sections, with roadside ditches
 - **Schedule** –
 - Project currently under construction...District assisting roadway contractor, as necessary, with utility relocations...will inquire if County will assist with cost of relocating utilities
- **West Sycamore Road Widening Project:**
- **Scope** – Proposed 100' ROW, with 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, and sidewalk
 - **Schedule** –

(k) Received 30% complete roadway plans...requested a) overall project schedule b) County involvement in funding utility relocations and c) possibility of including utility relocation work within roadway plans

Upon motion made by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve (i) Pay Estimate #2 from A&H Coating Services (construction) for \$16,017.50; (ii) Invoice #2 from Preventive Services (inspections) for \$2,500.00; (iii) Pay Estimates No. 4 from B-5 Construction Co. for \$83,238.75; (iv) Invoice No. 5 from Terracon for material testing services for \$3,205.75; and (v) approve the Engineer's Report, as presented.

At this time, Supervisor Medina left the meeting.

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 15 locations;
- Installed a commercial tap for Fresno Gym;
- Repaired hydrotank #1 during rehab project;
- Improvements to driveway of Liftstation #1;
- Repaired service line leak at 3311 Illinois Road;

- Certified AWIA R&R Assessment for regulatory compliance.

Mr. Downum then requested authorization to

- (a) repair the seal and shaft failures on booster pump #1 for Water Plant #1 for an estimated cost of \$8,700 (compared to an estimated \$16,000 if the pump were to be replaced);
- (b) repair the seal and shaft failures on booster pump #2 for Water Plant #1 for an estimated cost of \$9,500 (compared to an estimated \$16,000 if the pump were to be replaced); and
- (c) perform a valve survey of District water lines in connection with utility relocations for the road widening project along South Post Oak Blvd. in an amount not to exceed \$7,500.

Mr. Grigar stated he would provide Jacobs with the project schedules for the various road widening projects impacting the District.

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 Casher, seconded by Supervisor Vallejo, and after full discussion, the Board voted unanimously (i) to authorize the valve survey in connection with the South Post Oak Blvd. widening project; (ii) to authorize the repairs to booster pump #1 and # 2 at Water Plant #1; (iii) to approve the Operator's Report and repairs to the water and wastewater system; and (iv) to approve the termination list and account write-offs.

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 July 15, 2021, were presented for approval.

B. Discuss Regional Facilities Contract

Mr. Willis noted that no action was necessary in connection with this item.

C. Approve Resolution Regarding Cybersecurity

Mr. Willis next presented to and reviewed with the Resolution Regarding Cybersecurity Compliance. Mr. Willis informed the Board H.B. 1118, passed in the recent legislative session, no longer requires the Supervisors to take a cybersecurity training course, as the Supervisors do not meet the conditions of Section 2054.5191.

D. Approve Resolution Regarding Annual Review of Investment Policy

Mr. Willis presented to the Board a Resolution Regarding Annual Review of Investment Policy.

At this time, Supervisor Medina rejoined the meeting.

E. Consider Right of Entry Agreement with NFBWA for Automated Meter Reading System

Mr. Willis next presented to and reviewed with the Board a request from the North Fort Bend Water Authority (“NFBWA”) and proposed agreement for a Right of Entry permitting the NFBWA to install an automated meter reader.

The Board deferred any action on this item at this time.

Mr. Willis also discussed the CoA request for additional capacity with the Board, and noted that the CoA attorney is having a meeting with CoA next week regarding the proposed agreement. Mr. Willis stated that progress should be made after this meeting, but requested authorization to prepare a letter to CoA, if necessary, informing CoA that the District may rescind the commitment if the City fails to comment on, execute and return the proposed agreement within a reasonable time.

Mr. Willis then informed the Board the District’s insurance provider for directors’ and officers’ liability coverage would no longer be offering breach of contract coverage, and alternative options would be presented ahead of the policy renewal deadline in November.

Upon motion duly made by Supervisor Carreon, seconded by Supervisor Casher, the Board voted unanimously to (i) approve the minutes of the July 15, 2021 meeting, as presented; (ii) approve the Resolution Regarding Cybersecurity; (iii) approve the Resolution Regarding Annual Review of Investment Policy and approved broker list; (iv) authorized Mr. Willis to prepare a letter regarding the proposed agreement for additional capacity to CoA, if necessary; and (v) approve the Attorney’s Report.

9. REGIONAL PLANT COMMITTEE REPORT

Supervisor Hamilton then presented 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.

10. HEAR FROM THE PUBLIC.

The Board discussed the upcoming expiration of the Governor’s Order permitting remote meetings and the return to the regular in-person meeting location for the next meeting.

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 October 21, 2024.

Calvin Casher
Secretary

