

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

August 17, 2023

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, at 6:00 p.m. on Thursday, August 17, 2023, at 4521 F.M. 521 North, Fresno, Fort Bend County, Texas 77545, a designated meeting place inside the boundaries of the District, and 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, with Supervisor Medina appearing via Zoom, 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; Raquel Garcia and Robert Cardenas with Environmental Development Partners ("EDP"), the District's Operator; David Smalling with Robert W. Baird & Co., Inc. ("Baird"), the District's Financial Advisor; members of the public, the names of whom are on file in the official public records of the District; and Michael R. Willis 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)

At this time, the Board opened the meeting to comments from the public.

2. DISCUSS 2023 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 \$0.50 per \$100 of assessed valuation and an operation and maintenance tax rate of \$0.50 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 Carreon, and after full discussion, the Board voted unanimously to (1) establish its intent to set and levy for 2023 (i) a debt service tax rate in the amount of \$0.50 per \$100 of assessed valuation, and (ii) an operation and maintenance tax rate of \$0.50 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 21, 2023, 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. BOOKKEEPER'S REPORT AND TAX ASSESSOR/COLLECTOR'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 then presented the Tax Report from the Fort Bend County Tax Office.

Upon motion duly made by Supervisor Carreon, seconded by Supervisor Vallejo, the Board voted unanimously (i) to approve the Bookkeeper's Report; (ii) to authorize the payment of the checks and invoices listed therein; and (iii) to approve the Tax Assessor/Collector's Report.

4. 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 #2

- Project is complete...discuss with Board required closeout documents...afterwards documents will be sent to the TWDB for their approval and issuance of the Certificate of Approval, which is needed to provide the Contractor a final payment
- DA to provide update regarding project exceeding contract time, damages to the District, and any further actions that the District should take regarding this matter

ii) Gateway Acres Subdivision Wastewater Collection System

- Reddico currently working on completion of a) gravity sanitary sewer along Alice St, Avenue A, and Jan St, b) testing of installed system, and c) overall site restoration...overall project is approximately 80% complete
 - Request Board's approval of PE#8 from Reddico for construction of project in the amount of \$401,090.61
 - Request Board's approval of Invoice #7 and #8 from Terracon for material testing for the project in the amount of \$9,075.00 and \$6,662.50, respectively
 - Contract time for project currently expires on September 6th...requested updated construction schedule from Reddico, which indicates that Reddico anticipates project being operational by the end of November and all punchlist items completed by the end of this year
- iii) Fresno Ranchos Subdivision Wastewater Lift Station and Force Main
- Reddico currently working on final site work at lift station site (electrical, grading, driveway, painting, fencing, etc...)...Centerpoint is scheduled this week to install their electrical poles and wiring to site, after which coordination will be made for installation of electrical meter and phone line...overall project is approximately 90% complete
 - Request Board's approval of PE#7 from Reddico for construction of project in the amount of \$86,930.70
 - Request Board's approval of Invoice #6 and #7 from Terracon for material testing for the project in the amount of \$1,321.00 and \$1,163.00, respectively
 - Contract time for project currently expires on August 27th...requested updated construction schedule from Reddico, which indicates that Reddico anticipates project being operational by the end of September and all punchlist items completed by the end of October
- iv) Gateway Acres Subdivision Wastewater Plumbing Contract
- Anticipate Gateway Acres Sub WW Collection System and the Fresno Ranchos Sub LS and FM projects being completed 2023 and the plumbing contract being completed 2024...a total of 197 applications have been secured for the plumbing project...anticipate plumbing project starting construction January 2024
- v) Fresno Ranchos Subdivision Wastewater Collection System
- Project currently under design
- vi) Expansion of Teleview Terrace Subdivision Lift Station
- Project currently under design
- (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
 - WP#2 One-Year Warranty Expiration Date Expires on 01-19-24
- 4th TWDB DFUND Loan (\$1.745M)...funds will be used to complete the Water Plant No. 2 project
- 2022 TCEQ Loan (\$10.45M) – funds from the loan 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

(d) Projections for District Water and Wastewater Projects

- request Board approval to update information every January and July...discuss with Board status of updating overall W&WW exhibits for District

(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 –

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. James Banquet Hall – (Domestic & FW)
General Office Space (514 Pecan Street)	St. Peters & St. Pauls Orthodox Church of Houston
Gulf Coast LP Gas Company	Swingby#3 Gas Station (Domestic & Irrigation)
HEFCO Enterprises	Televue Terrace Subdivision Lift Station
Iglesia Bautista Del Calvario Church	Tiny Toes Academy
Iglesia Principe De Paz Church	Tire Shop at 1739A Trammel Fresno
Interconnect with City of Arcola	Valero Gas Station
	Welcome Foods

Connections Pending:	
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E&J Auto Sales (Trammel Fresno Rd) - District Operator to update regarding service to customer
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Processing Application:	
Nalco Water (FM521) - application only pertains to providing District water to supplement the filling of their fire water tanks during a fire event...plans have been reviewed by Jacobs and the District Operator...DA to provide update regarding water meter easement with customer	
St Peter and Paul Church (Illinois St) - waiting on all required docs from customer to complete application...customer currently receiving District water, but would like to add an additional building on property	
Sosa Electric (Avenue C) - received plumbing documents from customer for review	
Parks Fresno Food Market (FM521) - waiting on all required docs from customer to complete application	

*** Purolite investigating possibility of needing District water service for a potential new facility that would be constructed to the west of their existing facility

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 (<i>minus field bathrooms</i>)
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:	
Sosa Electric (Avenue C) - received plumbing documents from customer for review	
Parks Fresno Food Market (FM521) - waiting on all required docs from customer to complete application	

(g) Potential Emergency Water Interconnect with BCMUD21

- Conducted phone conversation with LJA (Kane Mudd), Engineer for BCMUD21, this week regarding potential emergency water interconnect between our Districts...BCMUD21 is considering interconnect location at end of E. Sycamore Road...requested that Kane provide a) an overall exhibit showing the proposed work, b) overall cost for project, including a breakdown of efforts, and c) BCMUD21's thoughts on how the project would be completed, including proposed cost sharing, so this information could be shared with the Board for further discussion

(h) Status of New CoA WP –

- a. CoA WP is in service and interconnect between the District and CoA is now functioning as an emergency water interconnect

- b. Status of District paying funds owed to CoA regarding take back of 625 connections worth of water service
- c. Status of rework of RFC into a standard emergency water interconnect agreement and a waste disposal agreement

(i) Status of CoA Current and Future WWTP Expansion Projects -

- Current WWTP Expansion Project (0.675 MGD to 0.95 MGD): NTP = June 16, 2023...Estimated Completion = 1st/2nd Q 2024
- District's current WWTP capacity (0.35MGD) is capable of providing wastewater service to 1,000 ESFCs (350 GPD/connection)
- DA to discuss a) status of current and future WWTP expansion projects, b) possible options for increasing the connection capacity for the District (revision to RFC based on re-rate study {possibly different re-rate numbers for each entity}), c) purchase/lease capacity from CoA, d) initiate next WWTP expansion, e) CoA's WWTP's ultimate treatment capacity (4.6MGD) and FW's maximum capacity at CoA's WWTP (1.905MGD), which needs to be documented, and f) status of District's WWTP in north wastewater service area
- Anticipated Timeline for Full Use of WW Connection Capacity (Current 1,000 ESFC Connection Capacity):

Current Connections (Actual and Reserved) as of August 2023:

- o Active Residential Connections Per Inframark = 542
 - o Vacant Residential Connections Per Inframark = 24
 - o In-Process Residential Connections Per Inframark = ?????
 - o Residential Connections in GA WW Plumbing Contract = 197
 - o Residential Connections in Teal Gardens Development = 107
 - o Active Non-Residential Connections, in ESFCs = 19
 - o In-Process Non-Residential Connections, in ESFCs = 3
- Total = 892**

***Per historical information from Inframark, approximately 2 wastewater connections are made each month

- Next WWTP Expansion Options
 - o Current WWTP Capacity = 350,000 GPD = 1,000 Conn
 - o Next WWTP Expansion = District has notified the CoA that an additional 0.5 MGD of wastewater treatment capacity is needed, which would bring the District's total wastewater treatment capacity to 0.85 MGD and capable of providing wastewater service to 2,428 connections

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

- **South Post Oak Boulevard Widening Project (from W Sycamore to Trammel Fresno Rd):**

o **Scope** – Increased ROW width, with 2 lane road and additional lanes throughout sections, with roadside ditches

o **Schedule** –

- County is currently in process of a) clearing ROW and acquiring easements and b) updating drainage design
- Utility Relocations – waiting on FBC for funding agreement and updated construction plans
- Road Construction – FBC to update

o **Estimated Cost** -

- Jacobs and Inframark discussed recommended waterline relocations for road widening project...Per communications with FBC Commissioner, all relocation costs will be paid for by the County

- **FM521 Roadway Widening Project (North of SH6):** -

o Jacobs completed review, with coordination with Inframark and the roadway design team, of District's record drawings, test hole information and proposed roadway plans for the section of FM521 from Willow St to Pecan St and determined two locations where utility work appears to be necessary (Willow St to Trammel Fresno Road and at the Mustang Bayou crossing)...District Operator working to secure info on private utilities and test hole info for these potential conflicts...once additional information is secured, Jacobs will work with the District Operator and TxDOT regarding utility relocation plans...in other areas of this section, it is not anticipated that the District's waterline needs to be relocated...possibly waterline appurtenances and service lines will need to be relocated during construction through coordination with the District Operator

o Jacobs will continue its investigation, with Inframark, of the remaining section of the roadway project (Pecan St to SH6) to determine if utility relocations are necessary

o Final roadway plans provided to District on 05/22/23...project let in April 2023...construction to start no sooner than September 2023...anticipated contractor is Granite Construction...per roadway team, work within District to start along south bound lanes at the American Canal and Mustang Bayou, with the installation of the storm sewer first, at outfall first and then working outward, then with the installation of concrete pavement

o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, with

underground storm sewer lines, side swales, and sidewalk

○ **Schedule –**

- 30% Utility Coordination meeting was conducted in November 2020
- 60% Utility Coordination meeting was conducted in September 2021
- 90% Utility Coordination meeting was conducted on August 24, 2022
- 100% completed construction plans received in May 2023
- Anticipate coordinating necessary water and wastewater utility relocations within 2023
- Anticipate roadway widening project to start construction in September 2023 with south bound lane work first

○ **Estimated Cost-**

- Currently determining extent and cost for utility relocations...later will coordinate with Inframark and roadway team so solution and costs can be determined and presented to Board...NORA provided to District

- **FM521 Roadway Widening Project (South of SH6):**

○ **Scope –** 4 lane, divided roadway with raised median, curb and gutter, and side path...proposed detention pond along west side of CoA WWTP and new WWTP entrance roadway...including a proposed overpass at the BNSF RR crossing

○ **Schedule –**

- 30% Utility Coordination meeting was conducted in September 2021
- 60% Utility Coordination meeting was conducted in April 2022
- Anticipate 100% completed construction plans TBD
- Anticipate roadway widening project to start construction in 2024

○ **Estimated Cost –**

- Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along...coordinating with roadway team so our relocations can be included in their construction plans, which they would design and their contractor construct...assistance would be provided by Jacobs and the District Operator throughout this process...requested that an agreement be provided to the District for this arrangement...currently this relocation effort would need to be paid for by the District, but still investigating the possibility that FBC or TxDOT possibly assist us financially

- **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 –**

- Received 30% complete roadway plans
- Received 95% complete roadway plans for review on August 11, 2022...requested updated plans, as drainage design is still being updated, prior to completing review
- Anticipate 100% complete roadway plans - TBD
- Coordinating with roadway team to have utility relocations included within their construction plans so relocations can be done by their contractor
- Anticipate roadway widening project to start construction – 2024

○ **Estimated Cost –**

- Per communications with FBC Commissioner, all relocation costs will be paid for by the County

- **Evergreen Road Widening Project (California Rd to Mustang Bayou):**

○ **Scope –** Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches

○ **Schedule –**

- Working on 30% complete roadway plans...no overall schedule provided yet
- Coordinating with roadway team to have utility relocations included within their construction plans so relocations can be done by their contractor

○ **Estimated Cost –**

- Per communications with FBC Commissioner, all relocation costs will be paid for by the County

- **Evergreen Road Widening Project (Mustang Bayou to FM521):**

○ **Scope –** Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches

○ **Schedule –**

- Provided 70% complete roadway plans for review and comment...no overall schedule provided yet
- Coordinating with roadway team to have utility relocations included within their construction plans so relocations can be done by their contractor

o **Estimated Cost –**

- Per communications with FBC Commissioner, all relocation costs will be paid for by the County

- **Other Road Widening Projects Within District (Lake Olympia Pkwy, California Road, Kentucky Road, and Linden Street)**

Upon motion made by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to (1) approve Pay Estimate No. 8 from Reddico in the amount of \$401,090.61 for the Gateway Acres Subdivision Wastewater Collection System Project; (2) approve Invoice Nos. 7 and 8 from Terracon for material testing in the amount of \$9,075.00 and \$6,662.50, respectively; (3) approve Pay Estimate No. 7 from Reddico in the amount of \$86,930.70 for the Fresno Ranchos Lift Station and Force Main Project; (4) approve Invoice Nos. 6 and 7 from Terracon for material testing in the amount of \$1,321.00 and \$1,163.00, respectively; (5) approve the closeout documents for the Water Plant No. 2 project, and authorize SK Law to draft a letter to the contractor after receipt of approval by the TWDB; and (6) approve the Engineer's Report, as presented.

5. OPERATOR'S REPORT/TERMINATION OF SERVICE

Next the Board recognized Ms. Garcia, 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. Garcia reported substantial system repairs and maintenance as follows:

- EDP performed landscaping maintenance and installed booster pump no. 4 and coupling at the water plant.
- EDP repaired a service line leak.
- EDP performed safety painting.
- EDP repaired a phone line at the lift station.

Ms. Garcia then updated the Board on the following:

1. Fire Hydrant Repairs: Repairs are completed and pending an invoice.
2. Write Off List: There are 19 accounts recommended for write off, totaling \$6,619.02.

B. Requests for Water Taps

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

C. Delinquent Water Accounts and Service Terminations

Ms. Garcia provided a confidential list of customers that received a delinquent letter by mail and are subject to disconnection of service.

Ms. Garcia then presented a customer request for adjustment, and recommended approval pursuant to the District's policy.

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

6. 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 June 15 and July 20, 2023, were presented for approval. Supervisor Carreon noted a revision to the proposed minutes.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Medina, the Board voted unanimously to approve the minutes of the meetings of June 15 and July 20, 2023, as corrected.

B. Regional Facilities Contract

Mr. Willis requested authorization to prepare an agreement with the City of Arcola to memorialize the next wastewater treatment plant expansion.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Carreon, the Board voted unanimously to authorize SK Law to prepare the proposed agreement.

C. Resolution Regarding Annual Review of Investment Policy

Mr. Willis then presented to the Board a Resolution Regarding Annual Review of Investment Policy (the "Resolution"), and noted that no revisions to the Investment Policy were recommended at this time. Mr. Willis also stated that the Bookkeeper provided an updated list of brokers.

Upon motion duly made by Supervisor Vallejo, seconded by Supervisor Carreon, the Board voted unanimously to approve the Resolution.

7. REGIONAL PLANT COMMITTEE REPORT

The Board next recognized Supervisor Hamilton, who presented the Regional Plant Committee Report.

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

8. HEAR FROM THE PUBLIC.

The Board then opened the meeting to comments from the public.

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 September 21, 2023.

Calvin Casher
Secretary

