

CLEAR LAKE CITY WATER AUTHORITY

900 Bay Area Boulevard • Houston, Texas 77058 • 281/488-1164
• Fax 281/488-3400

August 6, 2012

To: All Persons Interested in the Meeting of the Clear Lake City Water Authority Board of Directors:

Notice is hereby given that the Board of the Clear Lake City Water Authority will convene in Regular Session open to the public at 900 Bay Area Boulevard within such Authority at 7:00 p.m. on August 9, 2012 for the following purposes:

1. Approve or correct minutes of the July 12, 2012 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Ratify an item from the July 12, 2012 meeting to add Director Gordon Johnson as an authorized signer on Director's bank accounts, and remove John Ferguson;
4. Discuss and act upon detention policy clarification and review the situation relating to Clear Lake United Methodist Church;
5. Receive Tax Assessor/Collector Report ending July 31, 2012;
6. Consider and act upon Financial Report ending June 30, 2012;
7. Consider and act upon the Operating Disbursement's Report ending July 31, 2012;
8. Review and approve Change Order No. 1 to Water Plant No. 4 Emergency Generator;
9. Review and approve Pay Application No. 4 & Final for Water Plant No. 4 Emergency Generator;
10. Review and approve Pay Application No. 5 & Final for the Interior and Exterior Recoating of GST's at Water Plant No. 2;
11. Review and approve Pay Application No. 7 & Final for the El Camino Real Utility Relocation;
12. Review and approve Pay Application No. 4 for the Sanitary Sewer Phase 48 Rehabilitation;
13. Review and approve Pay Application No. 1 for the Sanitary Sewer Phase 51 Rehabilitation;
14. Review and approve Pay Application No. 3 for the Robert T. Savely Water Reclamation Facility, Water Plant No. 3 and Lift Station No. 4 Electrical Modifications;

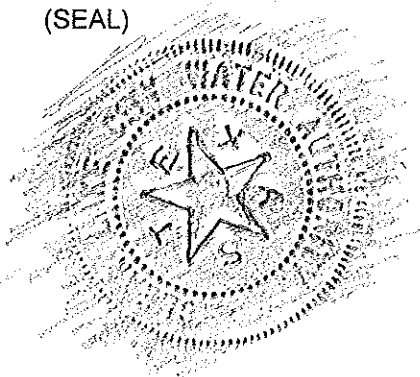
15. Review and approve Pay Application No. 3 for Storm Sewer Phase 20 Rehabilitation;
16. Review the bids and award the contract for Sanitary Sewer Phase 52 Rehabilitation;
17. Review the bids and award the contract for Lift Station No. 15 Rehabilitation;
18. Review and act upon the Engineer's Report and any matters pertaining to construction contracts;
19. Consider and act upon approval of the Capital Projects Disbursements;
20. Receive and act upon Attorney's Report;
21. Consider and act upon the Investment Summary ending June 30, 2012;
22. Receive General Managers Report;
23. Old and New Business

Following the Board's consideration, and action if any, on the above items, the Board will adjourn from Regular Session and reconvene in Closed Session pursuant to §551.071 of the Government Code for the purpose of consulting with its attorney, pursuant to §551.072 of the Government Code to deliberate regarding real property and pursuant to §551.074 of the Government Code to discuss personnel matters.



Curtis Rodgers
Director of Utilities
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY
Board of Directors'
Regular Meeting Minutes
August 9, 2012

Regular Meeting

The Board of Directors of the Clear Lake City Water Authority convened in regular session open to the public at the regular meeting place in its office at 7:00 p.m. on the 9th of August 9, 2012. Roll was called of the members:

Quorum Present

Ms. Gayle I. Yoder, President;
Mr. John Branch, Vice President;
Mr. Robert T. Savely, Secretary;
Mr. Vince Johnson, Director;
Mr. Gordon Johnson, Director.

All were present except Mr. Robert T. Savely.

Also present were:

James Byrd, General Manager;
Bill Rosenbaum, Engineer;
Bill Schweinle, Attorney;

(See visitor roster attached hereto as part of these minutes and identified as Exhibit A.)

1. Minutes of 7/12/2012
Regular Meeting
Approved

Reading of the minutes of the July 12, 2012 meeting was waived due to all Directors having received copies prior to the meeting.

Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted to approve the minutes as corrected for the June 14, 2012 meeting. Director V. Johnson voted opposed. Motion carried with 3 vote yes and 1 vote no.

2. Comments from the
Floor

None.

3. Ratify item from July
12, 2012 meeting,
adding Director Gordon
Johnson as an
Authorized Signer on
Director's Bank
Accounts, and remove
John Ferguson
Approved

Ratify from the July 12, 2012 meeting to add Director Gordon Johnson as an Authorized Signer on the director's bank accounts, and remove John Ferguson.

By motion duly made by Director V. Johnson and seconded by Director Branch, the Board voted unanimously to approve the ratification to add Director Gordon Johnson and remove John Ferguson.

4. Tax Collector Report

Ms. Cumming presented a report of taxes collected and taxes outstanding as of July 31, 2012 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit B.)

5. Financial Report Approved

The Financial Report ending June 30 2012 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit C.)

Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve the Financial Report ending June 30, 2012.
6. Operating Disbursements Report Approved

The Operating Disbursements Report ending July 31, 2012 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit D.)

Thereupon, by motion duly made by Director Branch and seconded by Director V. Johnson the Board voted unanimously to approve the Operating Disbursements Report ending July 31, 2012.
7. Change Order No. 1 for Water Plant No. 4 Emergency Generator Approved

Mr. Rosenbaum presented Change Order No. 1 for Water Plant No. 4 Emergency Generator for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit E.)

Thereupon, by motion duly made by Director Branch and seconded by Director V. Johnson the Board voted unanimously to approve Change Order No. 1 for W.W. Payton Corporation for \$600.00 and no additional calendar days requested.
8. Pay Application No.4 & Final for Water Plant No. 4 Emergency Generator Approved

Mr. Rosenbaum presented Pay Application No. 4 & Final for Water Plant No. 4 Emergency Generator for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit F.)

Thereupon, by motion duly made by Director Branch and seconded by Director V. Johnson the Board voted unanimously to approve Pay Application No. 4 & Final for W.W. Payton Corporation for \$26,807.50.
9. Pay Application No. 5 & Final for Interior and Exterior Recoating of GST's at Water Plant No. 2 Approved

Mr. Rosenbaum presented Pay Application No. 5 & Final Interior and Exterior Recoating of GST's at Water Plant No. 2 for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit G.)

Thereupon, by motion duly made by Director V. Johnson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 5 & Final M.K. Painting for \$34,042.50.
10. Pay Application No.7 & Final for the El Camino Real Utility Relocation Approved

Mr. Rosenbaum presented Pay Application No. 7 & Final for the El Camino Real Utility Relocation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit H.)

Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve Pay Application No. 7 & Final for CDC Unlimited, LLC. for \$2,733.00.
11. Pay Application No.4 for the Sanitary Sewer Phase 48 Rehabilitation Approved

Mr. Rosenbaum presented Pay Application No. 4 for the Sanitary Sewer Phase 48 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit I.)

Thereupon, by motion duly made by Director V. Johnson and seconded by Branch the Board voted unanimously to approve Pay Application No. 4 for PM Construction & Rehab., L.P. for \$103,186.17.

12. Pay Application No.1 for the Sanitary Sewer Phase 51 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 1 for the Sanitary Sewer Phase 51 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit J.)
Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve Pay Application No. 1 for PM Construction & Rehab., L.P. for \$137,995.79.
13. Pay Application No.3 for Robert T. Savely Water Reclamation Facility, Water Plant No. 3 and Lift Station No. 4 Electrical Modifications Approved
Mr. Rosenbaum presented Pay Application No. 3 for Robert T. Savely Water Reclamation Facility, Water Plant No. 3 and Lift Station No. 4 Electrical Modifications for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit K.)
Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve Pay Application No. 3 for C.F. McDonald Electric for \$147,600.00.
14. Pay Application No.3 for Storm Sewer Phase 20 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 3 for Storm Sewer Phase 20 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit L.)
Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve Pay Application No. 3 for National Power Rodding Corporation for \$11,649.60.
15. Award Construction Contract for Sanitary Sewer Phase 52 Rehabilitation Approved
Mr. Rosenbaum presented the bids received for Sanitary Sewer Phase 52 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit M.)
Thereupon, by motion duly made by Director Branch and seconded by Director V. Johnson the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the Engineer's recommendation, PM Construction & Rehab with a bid of \$739,312.30 and 120 calendar days.
16. Award Construction Contract for Lift Station No. 15 Rehabilitation Approved
Mr. Rosenbaum presented the bids received for Lift Station No. 15 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit N.)
Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the Engineer's recommendation, T & C Construction, Ltd. with a bid of \$134,900.00 and 180 calendar days.
17. Engineer's Report
Mr. Rosenbaum presented a written status of projects for the Board's review and discussion. (Copy attached hereto as part of these minutes and identified as Exhibit O.)
18. Capital Projects Disbursements Approved
The Capital Projects Disbursements Report was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit P.)
Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson, the Board voted unanimously to approve the Capital Projects Report in the amount of \$619,387.76.

19. Attorney's Report

Mr. Schweinle reported that Mr. John Greytok and CLCWA staff and consultants are working on the municipal payment situation.

Mr. Schweinle discussed the City of Houston Drainage Participation Agreement and said it clearly states anything historically taken care of by the City of Houston will continue to be done by the City of Houston. There are now 5 residents with issues that are the City of Houston's responsibility but the residents were told by Houston that because they do not pay the fee, the City of Houston is not responsible for fixing it. Per City of Houston Attorney, Mr. Shank, it was because CLCWA's verification report was not received and once it was received they would work with City of Houston Public Works. This verification report was sent in weeks ago by CLCWA staff. Mr. Schweinle will pursue contacting Mr. Feldman or Mr. Shank next week.

Mr. Schweinle requested executive session to report on potential and pending litigation and for attorney consultation pursuant to Gov't Code §551.071, consultation with an attorney.

20. Investment Summary
Approved

The Investment Summary ending June 30, 2012 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit Q.)

Thereupon, by motion duly made by Director Branch and seconded by Director G. Johnson the Board voted unanimously to approve the Investment Summary ending June 30, 2012.

21. General Manager's
Report

Mr. Byrd reported that a drainage and flooding issue on Gunwale has been temporarily resolved. Concrete runoff was flushed down the storm sewer. It will be added to the next storm sewer TV phase.

A sink hole on Sylvan Lake (Bay Forest) along Horsepen Bayou is a 45 bend separated. CLCWA is coordinating the repairs with HCFCD since it is near the inlet.

A CLCWA staff member involved in an accident has been settled with the insurance company. It settled for approximately \$104,000 paid out to the other party for damages and injuries.

Mr. Byrd requested closed session for a personnel issue.

All fire hydrants should be painted by the end of next week by Big Boy Concrete.

The TCEQ inspection on the water system last week went well.

Mr. Byrd reported at the SEWPP OAC meeting a budget was approved contingent upon providing an itemized list of costs budgeted outside the fence.

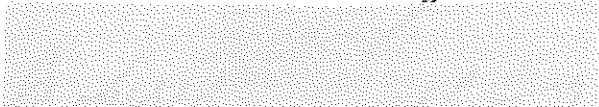
Mr. Byrd updated the Board on a customer's sanitary sewer line issue at 15708 Seavale. It appears that after rehabilitation work was done on the sanitary sewer line, the contractor connected an abandoned sewer tap, as shown on the plans, rather than the new sewer tap. The Board would like an update at the next meeting to know if a permit was pulled for the new sewer tap.

22. Old and New Business

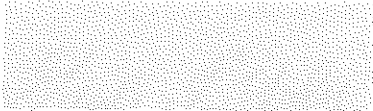
None.

23. Meeting Adjourned

President Yoder declared the meeting adjourned at 8:18 p.m.



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)