

CLEAR LAKE CITY WATER AUTHORITY

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

July 9, 2012

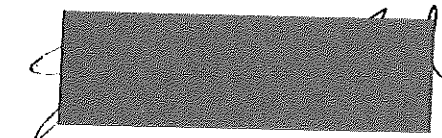
To: All Persons Interested in the Meeting of the Clear Lake City Water Authority Board of Directors:

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 July 12, 2012 for the following purposes:

1. Approve or correct minutes of the June 14, 2012 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon water, sewer, and drainage service for the Primrose School on Falcon Pass near Space Center;
4. Consider and act upon request for a land plan contract for the stormwater detention area;
5. Consider and act upon request for Attorney General opinion regarding ad valorem tax issue;
6. Discussion and consider taking action relating to the Fidelis tract;
7. Discussion of conservation easements;
8. Consider and act upon changing the Wells Fargo Reserve Account signers from staff to directors;
9. Receive Tax Assessor/Collector Report ending June 30, 2012;
10. Consider and act upon Financial Report ending May 31, 2012;
11. Consider and act upon the Operating Disbursement's Report ending June 30, 2012;
12. Review and approve Change Order No. 1 for Water Plant No.4 Emergency Generator;
13. Review and approve Pay Application No. 3 for Water Plant No. 4 Emergency Generator;
14. Review and approve Pay Application No. 4 for the Interior and Exterior Recoating of GST's at Water Plant No. 2;
15. Review and approve Pay Application No. 2 for Robert T. Savely Water Reclamation Facility, Water Plant No. 3 and Lift Station No. 4 Electrical Modifications;

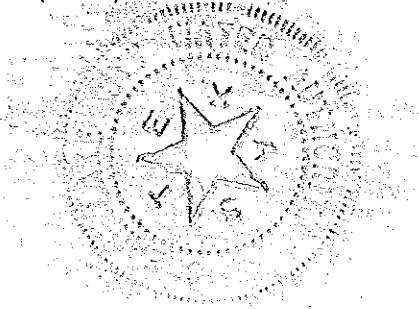
16. Review and approve Pay Application No. 2 for Storm Sewer Phase 20 Rehabilitation;
17. Review and approve Pay Application No. 3 & Final for Storm Sewer Phase 21 TV Inspections;
18. Review the bids and award the contract for the Sanitary Sewer Phase 53 TV Surveys and Inspections;
19. Authorize the advertising/solicitation of construction bids for Water System Phase 1 Rehabilitation;
20. Authorize the advertising for construction bids for Sanitary Sewer Phase 52 Rehabilitation;
21. Authorize the advertising for construction bids for Lift Station No.15 Rehabilitation;
22. Review and act upon the Engineer's Report and any matters pertaining to construction contracts;
23. Consider and act upon approval of the Capital Projects Disbursements;
24. Receive and act upon Attorney's Report;
25. Consider and act upon the Investment Summary ending May 31, 2012;
26. Receive General Managers Report;
27. 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.



James H. Byrd
General Manager
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY

Board of Directors'
Regular Meeting Minutes
July 12, 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 12th of July 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.

Also present were:

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

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

1. Minutes of 6/14/2012
Regular Meeting
Approved

Reading of the minutes of the June 14, 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 V. Johnson the Board voted unanimously to approve the minutes of the June 14, 2012 meeting.

2. Comments from the
Floor

Mrs. Sandra Pyle of 14210 Whitlock addressed the Board with a concern over her sinking property. CLCWA personnel have investigated and determined it was not caused by CLCWA facilities. The City of Houston told Mrs. Pyle they do not have any responsibility to fix it because of the new Interlocal Drainage Fee Agreement. The Board disagrees with the City of Houston's statement and that the agreement reads for each party to maintain what they have historically maintained. Mr. Schweinle was directed to contact Mr. Feldman and discuss this as soon as possible.

3. Water, Sewer, and
Drainage Service to the
Primrose School on
Falcon Pass near
Space Center
Approved

A request for water, sewer, and drainage service for development of the Primrose School on Falcon Pass near Space Center was presented to the Board for review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit B.)

By motion duly made by Director V. Johnson and seconded by Director Branch, the Board voted unanimously to approve the water, sewer, and drainage service to the Primrose School.

4. Land Plan Contract for
the Stormwater
Detention Area
Deferred

Deferred to Executive Session.

5. Request for Attorney General Opinion Regarding Ad Valorem Tax Issue
Deferred
Deferred to Executive Session.
6. Fidelis Tract, 412 El Dorado/CLC Blvd. Area
Deferred
Deferred to Executive Session.
7. Discussion of Conservation Easements
Ms. Kugle reported the Texas Land Conservancy will need plans for the property. Ms. Kugle was advised to wait contacting the Texas Land Conservancy or any other potential contact until CLCWA decides to proceed with layout plans.
8. Authorize Adding Gordon Johnson as Authorized Board Signer and Removing John Ferguson
Approved
President Yoder discussed adding Gordon Johnson as an authorized signer on the Director's bank accounts, and removing John Ferguson. This item would be ratified at the next regular meeting.
Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve adding Director Gordon Johnson as an authorized signer and removing John Ferguson.
9. Transfer Wells Fargo Account from Staff Signers to Directors
Approved
A request from the staff was made to change authorized signers from staff to directors on a Wells Fargo account named "Reserve". By transferring \$2.1 - 2.6 million in to the account, monthly bank fees ranging from \$700-1,000 a month could be eliminated in exchange for the extremely low interest being earned at Texpool currently. Construction Bond money would be used, and when the money is needed in the future it would take Board action.
Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve changing authorized signers on the Wells Fargo Reserve account from staff to directors.
10. Tax Collector Report
Ms. Cumming presented a report of taxes collected and taxes outstanding as of June 30, 2012 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit C.)
11. Financial Report
Approved
The Financial Report ending May 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 Savely and seconded by Director V. Johnson the Board voted unanimously to approve the Financial Report ending May 31, 2012.
12. Operating Disbursements Report
Approved
The Operating Disbursements Report ending June 30, 2012 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit E.)
Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve the Operating Disbursements Report ending June 30, 2012.
13. Change Order No. 1 for Water Plant No. 4 Emergency Generator
Deferred
Deferred.

14. Pay Application No.3
for Water Plant No. 4
Emergency Generator
Approved

Mr. Rosenbaum presented Pay Application No. 3 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 V. Johnson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 3 for W.W. Payton Corporation for \$173,842.00.

15. Pay Application No. 4
for Interior and Exterior
Recoating of GST's at
Water Plant No. 2
Approved

Mr. Rosenbaum presented Pay Application No. 4 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 Savely and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 4 M.K. Painting for \$76,635.00.

16. Pay Application No.2
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. 2 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 H.)

Thereupon, by motion duly made by Director V. Johnson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 2 for C.F. McDonald Electric for \$124,424.10.

17. Pay Application No.2
for Storm Sewer Phase
20 Rehabilitation
Approved

Mr. Rosenbaum presented Pay Application No. 2 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 I.)

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 2 for National Power Rodding Corporation for \$108,589.52.

18. Pay Application No.3 &
Final for Storm Sewer
Phase 21 TV
Inspections
Approved

Mr. Rosenbaum presented Pay Application No. 3 & Final for Storm Sewer Phase 21 TV Inspections 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 Savely and seconded by Director V. Johnson the Board voted unanimously to approve Pay Application No. 3 & Final for CleanServe, Inc. for \$7,182.71.

19. Award Construction
Contract for Sanitary
Sewer Phase 53 TV
Surveys and
Inspections
Approved

Mr. Rosenbaum presented the bids received for Sanitary Sewer Phase 53 TV Surveys and Inspections 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 Savely and seconded by Director Branch the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the Engineer's recommendation, AAA Flexible Pipe Cleaning Co., Inc. with a bid of \$209,504.26 and 200 calendar days.

20. Authorize Advertising
for Construction Bids
for Water System
Phase 1 Rehabilitation
Approved

Mr. Rosenbaum requested Board approval to authorize advertising construction bids for Sanitary Water System Phase 1 Rehabilitation to be funded through Bond Issue #31.


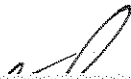
Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve advertising construction bids for Water System Phase 1 Rehabilitation.

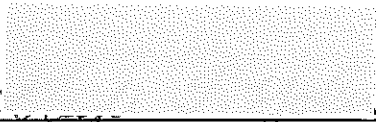
21. Authorize Advertising for Construction Bids for Sanitary Sewer Phase 52 Rehabilitation
Approved
- Mr. Rosenbaum requested Board approval to authorize advertising construction bids for Sanitary Sewer Phase 52 Rehabilitation to be funded through Bond Issue #31.
- Thereupon, by motion duly made by Director Savely and seconded by Director V. Johnson, the Board voted unanimously to approve advertising construction bids for Sanitary Sewer Phase 52 Rehabilitation.
22. Authorize Advertising for Construction Bids for Lift Station 15 Rehabilitation
Approved
- Mr. Rosenbaum requested Board approval to authorize advertising construction bids for Lift Station 15 Rehabilitation to be funded through Bond Issue #31.
- Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve advertising construction bids for Lift Station 15 Rehabilitation.
23. 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 L.)
24. 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 M.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve the Capital Projects Report except for check #1014 which is contingent upon an executive session discussion and approval. The total amount is \$675,899.32, including check #1014.
25. Attorney's Report
- 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.
26. Investment Summary
Approved
- The Investment Summary ending May 31, 2012 was presented for the Board's 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 Savely the Board voted unanimously to approve the Investment Summary ending May 31, 2012.
27. General Manager's Report
- Mr. Byrd reported that the SEWPP Operations Committee is contesting the City of Houston charges for downtown administrative and legal support to run the SEWPP.
- The Consumer Confidence Report was mailed out by July 1st.
- Mr. Byrd distributed CLCWA signs for vehicles that Director Savely requested.
- Mr. Byrd reminded the Board that Budget Committee meetings will start in August.
- Mr. Byrd reported the drainage channel at the detention facility near Mr. Bundy's house is working great and functioning as designed.
- Mr. Byrd informed the Board about a customer's billing dispute. Clare Mules of 1907 Reseda received a high bill in February. The meter was checked several times and the meter read was accurate. Ms. Mules inquired about a leak adjustment but was informed the policy states the bill must be 300% higher than the seasonal average. A payment plan was offered but Ms. Mules is still upset. President Yoder said the issue doesn't apply to the policy in this case and CLCWA can't make any exceptions without having to do it for everyone.

28. Old and New Business None.

29. Meeting Adjourned President Yoder declared the meeting adjourned at 8:47 p.m.

Meeting adjourned to closed session and then reconvened in to open session. See attached page.


Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)

CLEAR LAKE CITY WATER AUTHORITY
Board of Directors Meeting Minutes
Executive Session
Followed by
Open Session

30. The Board reconvened in Executive Session at 8:55 p.m. for consultation with the attorney for the Water Authority. Those present for the Executive Session were initially all the Board Members, General Manager Byrd and William Schweinle, attorney for the Authority. During the Executive Session, Director Vince Johnson departed leaving 4 Directors in attendance.
31. After consultation with the Water Authority Attorney, the Board reconvened in regular session at 10:30 p.m., and upon motion duly made by Director Branch and seconded by Director Gordon Johnson, it was unanimously agreed that the Contract of April 6, 2012, previously executed by Vice President John Branch, be in all things ratified as action of the Board and furthermore, on May 10, 2012, that check disbursement No. 1014 be approved for disbursement and issuance.
32. The meeting was adjourned by President Yoder who declared the meeting adjourned at 10:35 p.m.


Secretary Board of Directors
Clear Lake City Water Authority


President Board of Directors
Clear Lake City Water Authority