

CLEAR LAKE CITY WATER AUTHORITY

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

July 21, 2014

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 24, 2014 for the following purposes:

1. Approve or correct minutes of the June 12, 2014 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon detention pond issues regarding Clearpoint Crossing;
4. Consider and act upon request for water, sewer and drainage service to Dunkin Donuts at 1515 Bay Area Blvd.;
5. Discuss and act on a presentation from Texas Class;
6. Discuss and act on a presentation from Dr. Phil Bedient for the SSPEED (Severe Storm Prediction, Education, and Evacuation from Disasters) program;
7. Discuss and act on a presentation for reverse osmosis;
8. Review and approve conservation easement with GBF;
9. Review and approve agreement Between CLCWA and Exploration Green Conservancy;
10. Review and approve change to master plan for EG to move start of detention from 10 feet to 30 feet and add correlation of phases to the tracks in the legal description of the property;
11. Review and approve inventory report for Conservation easement document;
12. Consider and act upon adding Director Thomas Morrow as authorized signer on Director's bank accounts, and remove Vince Johnson;
13. Receive Tax Assessor/Collector Report ending June 30, 2014;
14. Consider and act upon Financial Report ending May 31, 2014;
15. Consider and act upon the Operating Disbursement's Report ending June 30, 2014;

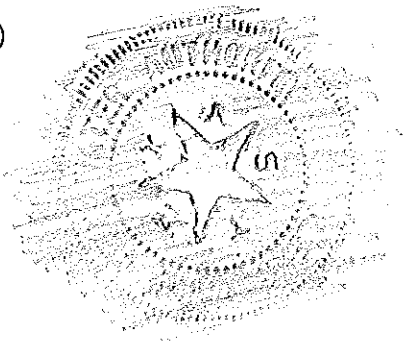
16. Review and approve Pay Application No. 9 for Water Meter Replacement Program;
17. Review and approve Pay Application No. 1 for Water System Phase 6 Rehabilitation;
18. Review and approve Pay Application No. 5 for Sanitary Sewer Phase 57 Rehabilitation;
19. Review and approve Pay Application No. 4 for Sanitary Sewer Phase 59 Manhole Rehabilitation;
20. Review and approve Pay Application No. 1 for Sanitary Sewer Phase 60 Rehabilitation;
21. Review bids and award construction contract for Sanitary Sewer Phase 61 Rehabilitation;
22. Review bids and award the construction contract for Lift Station No. 16 Rehabilitation;
23. Review and approve Pay Application No. 3 & Final for Storm Sewer Phase 25 Rehabilitation;
24. Review and approve Pay Application No. 2 & Final for Storm Sewer Phase 26 Rehabilitation;
25. Review and act upon the Engineer's Report and any matters pertaining to construction contracts;
26. Consider and act upon approval of the Capital Projects Disbursements;
27. Receive and act upon Attorney's Report;
28. Consider and act upon the Investment Summary ending May 31, 2014;
29. Receive General Manager's Report;
30. 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.

[REDACTED]

James H. Byrd
General Manager
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY
Board of Directors'
Regular Meeting Minutes
July 24, 2014

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 July 24, 2014. Roll was called of the members:

Quorum Present Mrs. Gayle Yoder, President;
Mr. John Branch, Vice President;
Mr. Robert T. Savely, Secretary;
Mr. Gordon Johnson, Director;
Mr. Thomas Morrow, Director.

All were present.

Also present were:

Mr. James Byrd, General Manager;
Mr. Curtis Rodgers, Director of Utilities;
Mr. Bill Rosenbaum, Engineer;
Mr. William Schweinie, Attorney;
Mrs. Jennifer Morrow
Mrs. Alice Cumming
Mrs. Shirley Kelly
Mrs. Mary Ann Schatz

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

1. Minutes of 6/12/14 Regular Meeting Approved
Reading of the minutes of the June 12, 2014 Regular 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 Savely, the Board voted unanimously to approve the minutes for the June 12, 2014 Regular Meeting.

2. Comments from the Floor
Paul Morris with Exploration Green expressed some lingering concerns and stated further negotiations are needed regarding agenda item #8. Paul Morris requested that this item to be delayed.

Melissa Daggett stated she was concerned regarding agenda item #9, specifically the proposed \$100,000 year expense being given to Exploration Green for mowing and maintenance. Director Branch stated this was a work in progress and nothing has been finalized. Director Savely said this item is being deferred. Anita Cooper was also present and said she had concerns about this issue also.

3. Detention Pond Issue Regarding Clearpoint Crossing Deferred
Item was deferred to August 2014.

4. Water, Sewer & Drainage Service to Dunkin Donuts at 1515 Bay Area Blvd.
Approved

A request for water, sewer and drainage service to Dunkin Donuts at 1515 Bay Area Blvd was presented to the Board for review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit B.)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve the request for service to 1515 Bay Area Blvd., subject to approval of the Financial Statement by Attorney William Schweinle.
5. Presentation from Texas Class
Deferred

Item was deferred to September 2014.
6. Presentation from Dr. Phil Bedient for the SSPEED Program
Deferred

Item was deferred to August 2014.
7. Presentation on Reverse Osmosis
Deferred

Item was deferred to September 2014.
8. Conservation Easement with EBF
Deferred

Item was deferred.
9. Agreement Between CLCWA & Exploration Green Conservancy
Deferred

Item was deferred.
10. Changes to Exploration Green Master Plan
Approved

Following a lengthy discussion regarding changes to the Exploration Green Master Plan, a few items are being modified. The 10 foot distance from property lines to the start of the slope shown in the Master Plan should have been a minimum of a 30 foot distance. There was also a proposed change made in the Master Plan to correlate construction phases to relate to legal tracts A-F for further clarification.

Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve the changes to the Exploration Green Master Plan.
11. Inventory Report for Conservation Easement Document
Deleted

Item was deleted.
12. Authorize Adding Thomas Morrow as Authorized Board Signer and Remove Vince Johnson
Approved

President Yoder discussed adding Thomas Morrow as an authorized signer on the Directors' bank accounts, and removing Vince Johnson. (Copy attached hereto as part of these minutes and identified as Exhibit C.)

Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve adding Director Morrow as an authorized signer and removing Vince Johnson. Director Morrow abstained.

13. Tax Collector Report Received
Ms. Cumming presented a report of taxes collected and taxes outstanding as of June 30, 2014 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit D.)
14. Financial Report Approved
The Financial Report ending May 31, 2014 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 Branch and seconded by Director Johnson, the Board voted unanimously to approve the Financial Report ending May 31, 2014.
15. Operating Disbursements Report Approved
The Operating Disbursements Report ending June 30, 2014 was presented for the Board's 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 Johnson, the Board voted unanimously to approve the Operating Disbursements Report ending June 30, 2014.
16. Pay Application No. 9 for Water Meter Replacement Program Approved
Mr. Rosenbaum presented Pay Application No. 9 for Water Meter Replacement Program 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 Branch and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 9 for National Metering Service, Inc. for \$475,623.65.
17. Pay Application No. 1 for Water System Phase 6 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 1 for Water System Phase 6 Rehabilitation 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 Johnson, the Board voted unanimously to approve Pay Application No. 1 for Alcott, Inc. dba TCH, for \$82,448.10.
18. Pay Application No. 5 for Sanitary Sewer Phase 57 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 5 for Sanitary Sewer Phase 57 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 Branch and seconded by Director Savely, the Board voted unanimously to approve Pay Application No. 5 for PM Construction & Rehab, LLC, for \$126,467.10.
19. Pay Application No. 4 for Sanitary Sewer Phase 59 Manhole Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 4 for Sanitary Sewer Phase 59 Manhole 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 Johnson, the Board voted unanimously to approve Pay Application No. 4 for Standard Cement Materials, Inc., for \$21,209.40.
20. Pay Application No. 1 for Sanitary Sewer Phase 60 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 1 for Sanitary Sewer Phase 60 Rehabilitation 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 Johnson, the Board voted unanimously to approve Pay Application No. 1 for Wachs

Valve & Hydrant Services, LLC, dba Wachs Water Services for \$38,665.30.

- 21. Review Bids for Sanitary Sewer Phase 61 Rehabilitation
Approved

Mr. Rosenbaum presented bids received for Sanitary Sewer Phase 61 Rehabilitation for the Board's review and discussion to consider options, accept or reject the bids. (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 Johnson, the Board voted unanimously to approve awarding the contract to the low bidder based on the Engineer's recommendation, PM construction & Rehab, L.L.C., with a bid of \$618,786.75 and 150 Calendar days.

- 22. Review Bids for Lift Station No. 16 Rehabilitation
Approved

Mr. Rosenbaum presented bids received for Lift Station No. 16 Rehabilitation for the Board's review and discussion to consider options, accept or reject the bids. (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 Johnson, the Board voted unanimously to approve awarding the contract to the low bidder based on the Engineer's recommendation, CDC Unlimited, with a bid of \$56,460.00 and 45 Calendar days.

- 23. Pay Application No. 3 & Final for Storm Sewer Phase 25 Rehabilitation
Approved

Mr. Rosenbaum presented Pay Application No. 3 & Final for Storm Sewer Phase 25 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 Pay Application No. 3 & Final for National Power Rodding Corp., for \$97,768.27.

- 24. Pay Application No. 2 & Final for Storm Sewer Phase 26 Rehabilitation
Approved

Mr. Rosenbaum presented Pay Application No. 2 & Final for Storm Sewer Phase 26 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit O.)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 2 & Final for RL Utilities, Inc., for \$49,980.00.

- 25. 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 P.)

- 26. 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 Q.)

Thereupon, by motion duly made by Director Branch and seconded by Director Johnson, the Board voted unanimously to approve the Capital Projects Report in the amount of \$662,464.51.

- 27. Attorney's Report

Mr. Schweinle updated the Board on the latest developments with the Texas Workforce Commission (TWC) claim and Mr. Barron. Since the TWC has filed a lien against CLCWA, it is interfering with utility service payments from state agencies, specifically the University of Houston at this time. The private investigator CLCWA hired, Wayne Dolcefino, concurred with the fraud suspicion and has uncovered further details supporting it. The Board agreed to authorize Bill Schweinle, Wayne Dolcefino, and CLCWA Staff to contact the highest level possible at the TWC office in Austin to try and resolve this diplomatically before further action is considered.

28. Investment Summary
Approved

The Investment Summary ending May 31, 2014 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit R.)

Thereupon, by motion duly made by Director Branch and seconded by Director Morrow, the Board voted unanimously to approve the Investment Summary ending May 31, 2014.

29. General Manager's
Report

Mr. James Byrd reported that zinc is higher than the discharge limit at the wastewater plant. From samples at all lift stations, a Water Effect Ratio (WER) study will need to be done. Drinking water limits are at higher allowable limits also. He spoke to the TCEQ and is expecting to hear back from them with answers to several questions. The TCEQ advised there may be a fine issued.

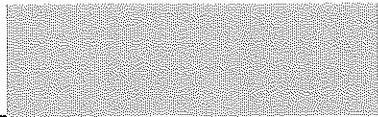
Mr. Byrd reported that the house on the corner of Brookford & Brookgreen (Middlebrook) is on the edge of CLCWA's easement and the water line is within the easement.

30. Old and New Business

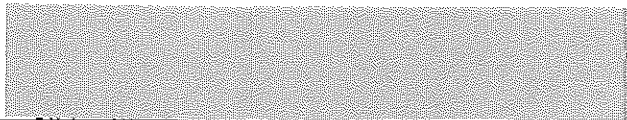
None.

31. Meeting Adjourned

President Yoder declared the regular meeting adjourned at 8:48 p.m.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)

DATE APPROVED: August 14, 2014

