



CLEAR LAKE CITY WATER AUTHORITY

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

July 15, 2024,

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 (The "Authority") will convene at 7:00 p.m. on July 18, 2024, for a Public Hearing and then Regular Session to follow, open to the public at 900 Bay Area Boulevard within such Authority, such location being the location where a quorum of the Board will be physically present, and by:

Video conference call at: <https://meet.goto.com/622956949>

Phone conference call at: +1 (408) 650-3123 Access Code:622-956-949

Video conference attendance is authorized by Section 551.127, Texas Government Code. At the meeting the following items will be considered and acted on:

1. Approve or correct minutes of the June 13, 2024, Regular Board Meeting;
2. Comments from the floor (5-minute limitation);
3. Consider and act upon approving Resolution Delegating Powers and Duties of the General Manager and Designees;
4. Consider and act upon approving Termination Agreement and Mutual Release with Tyler Technologies, Inc.;
5. Consider and act upon modifications, requested by Verizon, to the existing "Cowabunga" Water Tower Cell Site Lease Agreement;
6. Consider and act upon Cyber Fund Interlocal Agreement for Cyber Liability and Data Breach Response Coverage with TML Intergovernmental Risk Pool;
7. Receive Tax Collector Report ending June 30, 2024;
8. Consider and act upon Financial Report ending May 31, 2024;
9. Consider and act upon the Operating Disbursement's Report ending June 30, 2024;
10. Consider and act upon approving Resolution Declaring Development Status of District for Tax Year 2024;

11. Review and approve Pay Application 1 for Water Well No.7 and Water Plant No. 2 Site Improvements (Generators);
12. Review and approve Pay Application 3 for Sanitary Sewer Phase 100 Manhole Rehabilitation;
13. Review bids and consider awarding construction contract for Exploration Green Rehabilitation 2024;
14. Review and approve Change Order 3 for Exploration Green Detention Pond Phase 5;
15. Review and act, if necessary, upon the Engineer's Report and any matters pertaining to construction contracts;
16. Consider and act upon approval of the Capital Projects Disbursements;
17. Receive and act, if necessary, upon Attorney's Report;
18. Consider and act upon the Investment Summary ending May 31, 2024;
19. Consider and act upon, if necessary, Exploration Green Conservancy report;
20. Receive General Manager's Report;
21. Old and New Business;
22. Consult Attorney regarding pending or contemplated litigation with Construction Ltd. regarding Water Plant No. 1 Maintenance Facility and consider taking any action necessary;
23. Consider and act upon adjourning the meeting.

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.

Jennifer Morrow
General Manager
Clear Lake City Water Authority
(SEAL)



CLEAR LAKE CITY WATER AUTHORITY

Board of Directors' Regular Meeting Minutes July 18, 2024

Regular Meeting

The Board of Directors ("Board") of the Clear Lake City Water Authority ("CLCWA") convened in Regular Session open to the public at 7:00 p.m. (CDT), on Thursday, July 18, 2024, at 900 Bay Area Blvd., such location being the location where a quorum of the Board was physically present and by video conference call at:

Video conference call at: <https://global.gotomeeting.com/join/622956949>
Phone conference call at +1(408)650-3123 Access Code: 622-956-949

Video Conference attendance was authorized by Section 551.127, Texas Government Code.

Roll Call

Roll was called of the members:

Mr. W. Thomas Morrow, President;
Mr. Robert T. Savely, Vice-President;
Ms. Anthea Guest, Director;
Mr. Brady Pyle, Director;
Mr. John Graf, Secretary;

Also present were:

Ms. Jennifer Morrow, General Manager;
Mr. Curtis Rodgers, Director of Utilities;
Mr. Samuel Johnson, Attorney, Coats Rose, (by video conference);
Mr. Richard Fulton, Attorney, Coats Rose, (by video conference);
Mr. Eddie Streich, Engineer, LAN;
Mr. Dean McGee, Director of Finance;
Ms. Diana Espinoza, Senior Accountant, (by video conference);
Ms. Andie Tillman, HR Admin Asst., (by video conference);
Ms. Heather Frank, Recording Secretary.

(A visitor roster copy is on file in the official records of the Authority and identified as Exhibit A.)

1. Minutes of the June 13, 2024, Regular Meeting Approved

Reading of the minutes of the June 13, 2024, Regular Board Meeting was waived due to all Directors having received copies prior to the meeting. (A copy of which is on file in the official records of the Authority and identified as Exhibit B.)

Thereupon, by motion duly made by Director Guest and seconded by Director Pyle, the Board voted unanimously to approve the minutes of the June 13, 2024, Regular Board Meeting.

2. Comments from the Floor

No comments from the floor.

3. Resolution Delegating Powers and

Mr. Johnson explained that as the official delegation of the General Manager's administrative powers and duties is currently only defined in the Clear Lake City Water Authority's By-Laws with specific delegations

Duties of the
General Manager
and Designees
Approved

approved individually at various Board Meetings through the years, it is a best practice to have a single document on file consolidating any defined delegations of powers and duties. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.) It was noted that Section 8 of the Resolution would need to be updated to remove the language referencing the Authority's Engineer and Attorney and replace the term "application" with the term "resolution".

Thereupon, by motion duly made by Director Graf and seconded by Director Guest, the Board voted unanimously to approve the Resolution Delegating Powers and Duties of the General Manager and Designees, subject to the discussed amendment to Section 8.

4. Termination
Agreement and
Mutual Release
with Tyler
Technologies, Inc
Approved

Mr. Johnson requested an Executive Session to provide attorney-client privileged legal advice regarding potential litigation. The discussion was postponed and will be discussed during an Executive Session before the close of the current board meeting.

Returned to agenda item - Attorney-client privileged legal advice was provided in the Executive Session, and the matter will now be considered.

Thereupon, by motion duly made by Director Pyle and seconded by Director Savely, the Board voted unanimously to approve the Termination Agreement and Mutual Release with Tyler Technologies, Inc.

Return to Agenda Item #22

5. Modifications,
requested by
Verizon, to the
existing
"Cowabunga"
Water Tower Cell
Site Lease
Agreement
Rejected

Mr. Johnson provided an overview of the requested modifications. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.) It was noted that the requested terms would reduce the benefit of the contract, which would not appropriately offset the disruptions resulting from the lease and would minimize the CLCWA's oversight and ability to protect the structure of the facility.

Thereupon, by motion duly made by Director Savely and seconded by Director Pyle, the Board voted unanimously to reject the modifications, requested by Verizon, to the existing "Cowabunga" Water Tower Cell Site Lease Agreement.

6. Cyber Fund
Interlocal
Agreement for
Cyber Liability and
Data Breach
Response
Coverage with
TML
Intergovernmental
Risk Pool
Approved

Ms. Morrow explained that TML, the CLCWA's current insurance carrier, provided two coverage options for their updated Cyber Coverage Pool and new Cyber Fund. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.) Ms. Morrow stated that after a review of costs vs benefits, it is recommended to approve the higher coverage of Option 2 (Core+).

Thereupon, by motion duly made by Director Savely and seconded by Director Guest, the Board voted unanimously to approve Option 2 (Core+) of the Cyber Fund Interlocal Agreement for Cyber Liability and Data Breach Response Coverage with TML Intergovernmental Risk Pool.

7. Tax Collector's Report Ending 06/30/2024
The Tax Collector's Report ending June 30, 2024, was presented for the Board's review. (A copy of which is on file in the official records of the Authority and identified as Exhibit E.)
8. Financial Report Ending 05/31/2024
Approved
The Financial Report ending May 31, 2024, was presented to the Board for review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit F.) A correction was noted on the highlight page of the investment interest earned listed value, from \$348,989 to \$348,939.

Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve the Financial Report ending May 31, 2024.
9. Operating Disbursements Report Ending 06/30/2024
Approved
The Operating Disbursements Report ending June 30, 2024, was presented for the Board's review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit G.)

Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve the Operating Disbursements Report for the period ending June 30, 2024.
10. Resolution Declaring Development Status of District for Tax Year 2024
Approved
Mr. Johnson explained that declaring the development status is an annual process in connection with the adoption of the CLCWA tax rate. Depending on the development status classification of the district different rules apply as to how you are limited in establishing your tax rate. A district is considered "developed" if it has financed, completed, and issued bonds to pay for all land, works, improvements, facilities, plants, equipment, and appliances necessary to serve at least 95 percent of the projected build-out of the district in accordance with the purposes for its creation or the purposes authorized by law. Mr. Johnson provided an overview of the Resolution and Methodology for Determining Projected Buildout. (A copy of which is on file in the official records of the Authority and identified as Exhibit G.) It was noted that the development status is reviewed annually, allowing for the update of capacity needs with any planned development changes.

Thereupon, by motion duly made by Director Savely and seconded by Director Pyle, the Board voted unanimously to approve the Resolution Declaring Development Status of District for Tax Year 2024.
11. Review and approve Pay Application 1 for Water Well No.7 and Water Plant No. 2 Site Improvements (Generators)
Approved
Pay Application 1 for Water Well No.7 and Water Plant No. 2 Site Improvements (Generators) was presented to the Board for review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit H.)

Director Savely inquired on the feasibility of establishing electrical power grids between CLCWA infrastructure, that reside in proximity, to allow for the use of available and/or new generators to provide redundant and alternative power during outage events. Additionally, it was suggested to reach out to CenterPoint or FEMA regarding the need to trim the trees growing above the powerlines.

Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve Pay Application 1 for Water Well No.7 and Water Plant No. 2 Site Improvements (Generators) to Texan Municipal & Industrial for \$242,559.00.

12. Review and approve Pay Application 3 for Sanitary Sewer Phase 100 Manhole Rehabilitation
Approved

Pay Application 3 for Sanitary Sewer Phase 100 Manhole Rehabilitation was presented to the Board for review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit H.)

Thereupon, by motion duly made by Director Guest and seconded by Director Graf, the Board voted unanimously to approve Pay Application 3 for Sanitary Sewer Phase 100 Manhole Rehabilitation to CDC Unlimited, LLC for \$61,385.40.

13. Review bids and consider awarding construction contract for Exploration Green Rehabilitation 2024
Approved

Two bids for the construction contract for Exploration Green Rehabilitation 2024 were presented to the Board for review and discussion, to consider options, and accept or reject any or all bids. (A copy of which is on file in the official records of the Authority and identified as Exhibit I.) The project will include the regrading and modification of areas around the outside edges and fence line to correct ponding and redirect runoff, at Phases 1, 2, and 4.

Director Savely inquired if any grants available through FEMA for the construction of new or the repair of existing detention ponds would be applicable to the CLCWA. Research will be conducted on available grant options.

Thereupon, by motion duly made by Director Guest and seconded by Director Pyle, the Board voted unanimously to accept the bid provided by Rally Construction for \$105,178.00.

14. Review and approve Change Order 3 for Exploration Green Detention Pond
Approved

Change Order 3 for the removal of dead trees at Exploration Green Detention Pond was presented to the Board for review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit J.). The contractor offered a discount for the service in exchange for a reduction of the accrued 29 days of Liquidated Damages deductions (less amount determined per day used over the project's established contract calendar days).

Thereupon, by motion duly made by Director Savely and seconded by Director Pyle, the Board voted unanimously to approve Change Order 3 for Exploration Green Detention Pond to Serco Construction Group, Ltd. for a 29 day increase in Contract Times (Calendar Days).

15. Engineers Report

The Preconstruction meeting for the Lift Station No. 4 Parallel Force Main project is scheduled for Tuesday, July 23, 2024. The current start date is approximately 6 weeks out, this is predicated on the drilling rig availability being about 10 weeks out and fusing of the pipe taking about 4 weeks. The current issue with breaks is associated with the existing 16-inch ductile iron portion of the Force Main that runs from Lift Station No. 4 and crosses under the lake. In order to replace the 16-inch ductile iron portion, the new line needs to be run under the lake so that a bypass can be installed. Inquiries will be made into what can be done for the

problematic ductile iron section in the interim. The new line will consist of HDPE under the lake and PVC to the Lift Station. It was requested to prioritize the timeline for this project as any unplanned repairs to the line could take a significant timeline to complete.

Replacing the Reclaimed Water Line Crossing at Horsepen Bayou was delayed due to a continued power outage (due to Hurricane Beryl) at the contractor's facilities.

Regarding the El Dorado Boulevard Expansion project's unacceptable condition of the storm sewer joints, pipe, and inadequate installation of stabilizing sand, Harris County is currently reviewing the supplied documentation showing the condition of the line and researching options for a solution. Pending rectification of issues and CLCWA's approval after inspection, the CLCWA will not take over ownership and maintenance of the storm sewer pipe.

16. Capital Projects
Disbursement
Report
Approved

The Capital Projects Disbursements Report was presented for the Board's review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit L.)

Thereupon, by motion duly made by Director Graf and seconded by Director Guest the Board voted unanimously to approve the Capital Project Report in the amount of \$501,666.87.

17. Attorney's Report

Mr. Johnson did not have anything to publicly review with the Board but will provide attorney-client privileged legal advice for Agenda Items 4 and 22 in Executive Session.

18. Investment
Summary Ending
May 31, 2024
Approved

The Investment Summary for the period ending May 31, 2024, was presented for the Board's review and approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit M.)

Thereupon, by motion duly made by Director Graf and seconded by Director Pyle, the Board voted unanimously to approve the Investment Summary for the period ending May 31, 2024.

19. Exploration Green
Conservancy Report

Director Guest informed the Board that the Exploration Green Conservancy Meeting was not held in July 2024 due to Hurricane Beryl. The Conservancy continues to focus on utilizing funds from grants for education and working with Harris County Precinct 2 on a possible grant to fund an Education Building at Exploration Green. The Conservancy is aware that any building design or construction must be coordinated with the CLCWA.

Director Savely inquired about Harris County Precinct 2 decision regarding the repair/replacement of Beacon Rd. Mr. Rodgers explained that Harris County will replace and take over maintenance of Beacon Rd, making it a County Road, with the trade of Right-of-Way and possible easements.

20. General
Manager's
Report

Ms. Morrow informed the Board of the following matters.

All lift stations are back on utility power (after power failures due to Hurricane Beryl). Lift Station 7 was flooded causing damage to sheetrock, the pump control panel, and three pump motors. A rented auxiliary pump is being used onsite, due to complaints regarding the noise from the stock auxiliary pump. Plans to convert the site into a Wet Well were already in process, once plans are finalized repairs/conversion will proceed.

Director Guest inquired if any flooding issues from Hurricane Beryl were reported in the area surrounding the completed Meadowgreen (Peermont) Drainage Improvement Project. It was noted that no flooding was reported, and Mr. Streich was able to observe at a point during the storm that the streets maintained a steady flow of runoff.

Director Savely requested a copy of the Watershed Analysis that incorporated tides to review.

Most of the work needed for the pending site restorations includes concrete, ground leveling, and grass sod placement. Concrete work is prioritized in order by street, driveway, and then sidewalks. There has been a supply chain issue with obtaining sod, due to previous flooding.

Director Savely inquired if assigning ownership of lift station facilities maintenance and repair to particular staff members could be a viable option to promote pride in workmanship, responsibility, and responsiveness to enhance daily operations.

The Board thanked the General Manager for her responsiveness and communication during Hurricane Beryl and the corresponding recovery.

21. Old and New Business

Director Graf requested a review of lessons learned during Hurricane Beryl. Any procedures that were found to work well vs any needed changes or solutions that were identified during or after the event. For instance, if staffing was an issue a possible solution could be for individuals to be trained and contracted to come in as needed when situations arise. It was noted that the CLCWA does have contractors that assist in varying circumstances, which were utilized for recovery after Hurricane Beryl. The storm reiterated the benefit of having generators to provide alternative power at key facilities and 5 lift stations being converted to submersibles. One beneficial task implemented for Hurricane Beryl was to, before the storm, utilize the bypass at the water plant in Clear Lake Forest to use the Elevated Storage Tank (EST) at the Treatment Plant (which has a generator for alternative power) instead of EST #5 (that has lost power in the past) which ensured continued service to the area during and after the storm. The implementation of this task as a procedure and automating the process will be considered. Communication was determined to be the main concern, as communication was limited to radios during the peak of the event and the connections were not clear. Solutions such as satellite phones will be considered.

Director Guest inquired about concerns on the amount of debris (leaves, trash, branches) in the roads that could wash into and congest the storm sewer infrastructure. The streets are outside the Authority of the District, as such the CLCWA does not have the staff or equipment on hand to clean the debris on the roads and appreciates the City of Houston and residents who take action to protect not only themselves but their neighbors when

they prevent any debris from washing into the storm sewers and contributing to blockages.

Director Savely inquired if mailers could be utilized as an additional avenue to target educating the public on the costs, causes, and issues with ragging in sanitary sewers.

Executive Session

An Executive Session was held from 8:27 p.m. to 8:40 p.m. for an attorney-client privileged discussion. The recording of the video conference was paused for the duration of the session and reactivated prior to the closing of the Board Meeting.

Returned to Agenda Item #4.

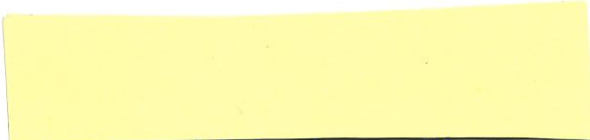
- 22. Pending or Contemplated Litigation with Construction Ltd. Regarding Water Plant No. 1 Maintenance Facility

Attorney-client privileged legal advice was provided in the Executive Session, and the matter will now be considered.

President Morrow stated that at this time no action will be taken by the Board on this item.

- 23. Meeting Adjourned

President Morrow declared the open meeting adjourned at 8:42 p.m.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

DATE APPROVED: August 8, 2024

(SEAL)

