

CLEAR LAKE CITY WATER AUTHORITY

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

October 7, 2011

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 immediately after the Public Hearing at 7:00 p.m. on October 13, 2011 for the following purposes:

1. Approve or correct minutes of the September 8, 2011 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon approving water, sewer and drainage service to a 412 acres tract at Clear Lake City Blvd. and El Dorado Blvd.;
4. Discuss and consider taking action relating to the electronic voting machines;
5. Consider adopting Order Adding Land and Redefining the District Boundaries (2.126 acre Pasadena Fire Station #10 site at Middlebrook and Clear Lake City Blvd.);
6. Consider and act upon adoption of proposed 2011 Ad Valorem tax rate for CLCWA;
7. Consider and act upon adoption of proposed 2011 Ad Valorem tax rate for WCID #75;
8. Consider and act upon an Amended Notice to Sellers and Purchasers;
9. Consider and act upon a water and wastewater rate increase;
10. Consider and act upon approval of budget for 2011-2012 fiscal year;
11. Receive Tax Assessor/Collector Report ending September 30, 2011;
12. Consider and act upon the Financial Report ending August 31, 2011;
13. Consider and act upon the Operating Disbursement's Report ending September 30, 2011;
14. Review and approve Pay Application No. 6 & Final for El Camino Real Aerial Utility Crossing at Cow Bayou;

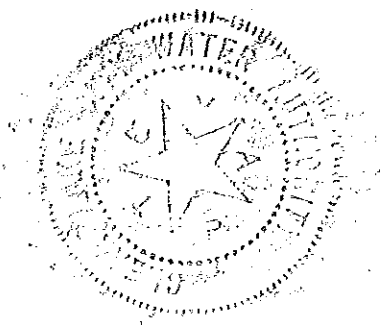
15. Authorize the advertising for construction bids for the Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant No. 2;
16. Review and approve Pay Application No. 2 for Sanitary Sewer Phase 42 Rehabilitation;
17. Review and approve Pay Application No. 1 for Sanitary Sewer Phase 43 TV Inspection;
18. Review construction bids and ward contract for Sanitary Sewer Phase 48 Rehabilitation;
19. Review and approve Pay Application No. 1 for the Replacement of the Rotary Lobe Aeration Blowers at the Robert T. Savely Water Reclamation Facility;
20. Review and approve Pay Application No. 1 & Final for Storm Sewer Phase 18 Rehabilitation;
21. Review and approve Pay Application No. 1 for Storm Sewer Phase 19 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 August 31, 2011;
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
October 13, 2011

Special Meeting The Board of Directors of the Clear Lake City Water Authority convened in special session open to the public at the regular meeting place in its office at 7:00 p.m. on the 13th of October 2011 for a Public Hearing. 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. John Ferguson, Director;

All were present except Mr. Robert T. Savely.

Also present were:

James Byrd, General Manager;
Curtis Rodgers, Director of Utilities
Bill Rosenbaum, Engineer;
William Schweinle Jr., Attorney;
Julianne Kugle, Attorney.

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

1. Public Hearing The purpose of this Public Hearing is to comment and discuss the proposed Ad Valorem Tax Rate for CLCWA and WCID #75. There were no public comments.

2. Adjourned There being no further business to come before the Public Hearing, Board President Yoder declared the meeting adjourned at 7:02 p.m.

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 7:03 p.m. on the 13th of October 2011. 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. John Ferguson, Director;

All were present.

Also present were:

James H. Byrd, General Manager;
Curtis Rodgers, Director of Utilities;
Bill Rosenbaum, Engineer;
Bill Schweinle, Attorney;
Julianne Kugle, Attorney.

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

3. Minutes of 9/8/11 Regular Meeting Approved

Reading of the minutes of the September 8, 2011 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 Johnson the Board voted unanimously to approve the minutes of the September 8, 2011 meeting.
4. Comments from the Floor

None.
5. Initiate Discussions with CLCWA Staff and Consultants Regarding Service to 412 Ac. Tract owned by Clear Dorado Land Associates. Approved

An agenda item to approve water, sewer, and drainage service to a 412 acre tract of land at Clear Lake City Blvd. and El Dorado Blvd was presented to the Board for approval. The developer Clear Dorado Land Associates wants to create a MUD district parallel to WCID #156. About 260 of the 412 acres are inside CLCWA's boundaries. Clear Dorado Land Associates agreed to comply with the current detention requirements of 1 ft. per acre, and to pay the initial \$10,000 annexation fee. It was made clear to the developer representatives that additional fees may be required due to the complexity of their request.

By motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve allowing CLCWA Staff and Consultants to work with the Developer for future development plans, after the annexation fee is received. This agenda item is subject to ratification at the next regular Board meeting. (Copy attached hereto as part of these minutes and identified as Exhibit B.)
6. Election Voting Machines Approved

Ms. Julianne Kugle presented a few options for voting machines for the May 2012 Director's Election. After a lengthy discussion the Board agreed to allow General Manager James Byrd to decide on the final voting machines after Ms. Kugle presents to Mr. Byrd the verified final costs for all the options. (Copy attached hereto as part of these minutes and identified as Exhibit C.)
7. Order Adding Land for 2.126 Acres for the Pasadena Fire Station #10 at Middlebrook and Clear Lake City Blvd. Approved

Ms. Julianne Kugle presented an Order Adding Land and Redefining the District Boundaries for a 2.125 acre tract at Middlebrook and Clear Lake City Blvd., for the Pasadena Fire Station #10. This was originally started in 2000 but not officially completed and recorded.

By motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve the Order Adding Land and Redefining the District Boundaries for a 2.125 acre tract at Middlebrook and Clear Lake City Blvd., for the Pasadena Fire Station #10. (Copy attached hereto as part of these minutes and identified as Exhibit D.)
8. Adopt 2011 Ad Valorem tax rate for CLCWA Approved

By motion duly made by Director Branch and seconded by Director Ferguson the Board voted unanimously to adopt a debt service rate of \$0.23 per \$100 of the assessed valuation and a maintenance tax of \$0.05 per assessed valuation for CLCWA. (Copy attached hereto as part of these minutes and identified as Exhibit E.)
9. Adopt Proposed 2011 Ad Valorem tax rate for WCID #75 Approved

By motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to adopt a debt service rate of \$0.50 per \$100 of the assessed valuation and a maintenance tax of \$0.05 per assessed valuation for WCID #75. (Copy attached hereto as part of these minutes and identified as Exhibit F.)

10. Amend Notice to Sellers and Purchasers
Approved

The Notice to Sellers and Purchasers was amended to update bond information and presented to the Board for approval. (Copy attached hereto as part of these minutes and identified as Exhibit G.)

By motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve the amended Notice to Sellers and Purchasers.
11. Water and Wastewater Rate Increase
Deferred

Deferred.
12. Budget 2011-2012
Deferred

Deferred.
13. Tax Collector Report

Ms. Cumming presented a report of taxes collected and taxes outstanding as of September 30, 2011 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit H.)
14. Financial Report
Approved

The Financial Report ending August 31, 2011 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit I.)

Thereupon, by motion duly made by Director Ferguson and seconded by Director Johnson the Board voted unanimously to approve the Financial Report ending August 31, 2011.
15. Operating Disbursements Report
Approved

The Operating Disbursements Report ending September 30, 2011 was presented for the Board's 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 Ferguson the Board voted unanimously to approve the Operating Disbursements Report ending September 30, 2011.
16. Pay Application No. 6 & Final for El Camino Real Aerial Utility Crossing at Cow Bayou
Approved

Mr. Rosenbaum presented Pay Application No. 6 & Final for El Camino Real Aerial Utility Crossing at Cow Bayou 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 Johnson and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 6 & Final for Lone Star Road Construction in the amount of \$37,555.00.
17. Authorize Advertising For Bids For Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant 2
Approved

Mr. Rosenbaum requested Board approval to authorize advertising bids for Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant 2.

Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve the advertising for bids for Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant 2.
18. Pay Application No. 2 for Sanitary Sewer Phase 42 Rehabilitation
Approved

Mr. Rosenbaum presented Pay Application No. 2 for Sanitary Sewer Phase 42 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 Savely and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 2 for Huff & Mitchell, Inc. for \$79,962.75.

19. Pay Application No. 1 for Sanitary Sewer Phase 42 TV Inspection Approved

Mr. Rosenbaum presented Pay Application No. 1 for Sanitary Sewer Phase 43 TV Inspection 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 Savely and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 1 for Quality Pipe Services. for \$17,329.19.

20. Award Construction Contract for Sanitary Sewer Phase 48 Rehabilitation Approved

Mr. Rosenbaum presented the bids received for Sanitary Sewer Phase 48 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 Ferguson and seconded by Director Johnson the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the engineer's recommendation, P.M Construction, with a bid of \$544,599.65 and 120 calendar days.

21. Pay Application No. 1 for Replacement of the Rotary Lobe Aeration Blowers at the Robert T. Savely Water Reclamation Facility Approved

Mr. Rosenbaum presented Pay Application No.1 for the Replacement of the Rotary Lobe Aeration Blowers at the Robert T. Savely Water Reclamation Facility 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 Ferguson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 1 for R&B Group, Inc. for \$384,660.00.

22. Pay Application No. 1 & Final for Storm Sewer Phase 18 Rehabilitation Approved

Mr. Rosenbaum presented Pay Application No. 1 & Final for Storm Sewer Phase 18 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit P.)

Thereupon, by motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 1 & Final for R. L. Utilities for \$71,882.00.

23. Pay Application No. 1 for Storm Sewer Phase 19 Rehabilitation Approved

Mr. Rosenbaum presented Pay Application No. 1 for Storm Sewer Phase 19 Rehabilitation for the Board's review and 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 Savely the Board voted unanimously to approve Pay Application No. 1 for R. L Utilities for \$43,920.00.

24. 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 R.)

25. 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 S.)

Thereupon, by motion duly made by Director Branch and seconded by Director Ferguson, the Board voted unanimously to approve the Capital Projects Report in the amount of \$751,435.85.

26. Attorney's Report

Mr. Schweinle reported he has not received any information back from the Supreme Court on the Kirby Lake case.

Mr. Schweinle requested executive session to report on potential and existing litigation and for attorney consultation.

27. Investment Summary Approved

The Investment Summary ending August 31, 2011 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit T.)

Thereupon, by motion duly made by Director Branch and seconded by Director Ferguson the Board voted unanimously to approve the Investment Summary ending August 31, 2011.

28. General Manager's Report

Mr. Byrd reported there are now two concrete contractors working to catch up on concrete repairs from main break repairs. The main breaks are slowing down and the crews are now only 10 leaks behind. The City of Webster helped out with repairs for almost 2 weeks.

Mr. Byrd invited the Board to an employee appreciation lunch on Thursday, October 20 from 11:30 a.m.-12:30 p.m. The City of Webster employees who helped out with repairs will also be invited.

Mr. Byrd reported a dirt contractor is putting together a proposal and logistical management plan for the golf course detention facility work. The contractor has worked closely with the Harris County Flood Control District (HCFCD) on several other projects.

At the SEWPP OAC meeting the co-participants agreed to hire Freese and Nichols Engineers to develop a plant operations proposal for operators to bid on.

The City of Houston is trying to repair or replace a 42" water line on Highway 3. They are looking at both rehabilitation and replacement options. Mr. Byrd is going to request Bill Rosenbaum review the options also and give an engineer's opinion.

29. Old and New Business

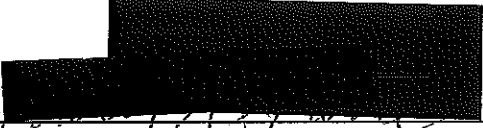
None.

30. Meeting Adjourned

President Yoder declared the meeting adjourned at 8:15 p.m.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)