

CLEAR LAKE CITY WATER AUTHORITY

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

April 11, 2016

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

Notice of a revised Agenda 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 April 14, 2016 for the following purposes:

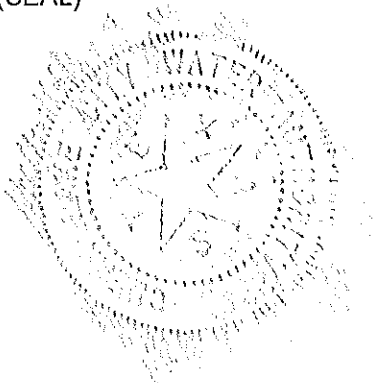
1. Approve or correct minutes of the March 11, 2016 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon renewal of the CLCWA Employee Health Insurance Plan;
4. Consider and act upon new water and sewer lines for the Jim West property located at 3303 E NASA Pkwy;
5. Consider and act upon Earnest Money Contract for purchase of Elevated Storage Tank Site #6 from Trendmaker Homes, Inc;
6. Consider and act upon annual review of ADM-165, Investment Policy;
7. Consider and act upon giving the General Manager authority to spend a pre-authorized amount without first obtaining Board approval;
8. Consider and act upon alternative financing methods for a possible November 2016 election;
9. Receive Tax Assessor/Collector Report ending March 31, 2016;
10. Consider and act upon Financial Report ending February 29, 2016;
11. Consider and act upon the Operating Disbursement's Report ending March 31, 2016;
12. Review and Approve Pay Application No 2 for Water Plant No. 1 Recoating;
13. Review and Approve Pay Application No. 1 for Elevated Storage Tank No. 2 Recoating;
14. Review construction bids and award contract for Water System Phase 8 Rehabilitation;
15. Review and Approve Pay Application No. 4 for Sanitary Sewer Phase 62 Rehabilitation;
16. Review and Approve Pay Application No. 7 & Final for Sanitary Sewer Phase 63 TV Inspection;

17. Review construction bids and award contract for Sanitary Sewer Phase 68 Rehabilitation;
18. Review and approve Pay Application No. 8 & Final for Storm Sewer Phase 29 Rehabilitation;
19. Review and approve Pay Application No. 5 for Exploration Green Detention Pond Phase 1A;
20. Authorize the application and related Engineering Report to the TCEQ for Bond Issue #36;
21. Review and act upon the Engineer's Report and any matters pertaining to construction contracts;
22. Consider and act upon approval of the Capital Projects Disbursements;
23. Receive and act upon Attorney's Report;
24. Consider and act upon the Investment Summary ending February 29, 2016;
25. Receive General Manager's Report;
26. 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]
Curtis Rodgers
Director of Utilities
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY

Board of Directors'
Regular Meeting Minutes

April 14th, 2016

Regular Meeting

The Board of Directors of the Clear Lake City Water Authority (the "Authority") convened in regular session open to the public at the regular meeting place in its office at 7:00 p.m. on April 14th, 2016. Roll was called of the members:

Quorum Present

Mr. John Branch, President;
Mr. Robert T. Savely, Vice-President
Mr. W. Thomas Morrow, Secretary;
Mr. Gordon Johnson, Director;
Mr. John Graf, Director.

All Board Members were present

Also present were:

Mr. Curtis Rodgers, Director of Utilities;
Mr. Bill Rosenbaum, Engineer;
Mr. Tim Green, Attorney;
Mr. Samuel Johnson, Attorney;
Mr. Joshua J. Kahn, Attorney;
Ms. Sarah Danford, HR Supervisor & Recording Secretary;
Ms. Mary Ann Schatz, Capital Projects Bookkeeper;
Ms. Alice Cumming; Tax Assessor/Collector;

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

1. Minutes of 3/10/2016
Regular Meeting
Approved

Reading of the minutes of the March 10, 2016 Regular Meeting was waived due to all Directors having received copies prior to the meeting.

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve the minutes of the March 10, 2016 Regular Meeting.

2. Comments from the
Floor

Resident Christine Hodder asked the Board about a City of Houston letter sent out in January 2016 regarding operation of the Southeast Water Purification Plant (the "Plant"). Director Branch explained the current ownership and operation status of the Plant.

3. Renewal of Health
Insurance
Approved

Renewal of the CLCWA Employee Health Insurance Plan 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 B.)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve the proposed renewal rates and coverage amounts.

4. Water and Sewer Lines
3303 E. NASA Pkwy
Approved

A request for new water and sewer lines at the Jim West property located at 3303 E. NASA Parkway.

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve the new water and sewer lines for the Jim West Property located at 3303 E. NASA Parkway. (A copy of which is on file in the official records of the Authority and identified as Exhibit C.)

- 5. Earnest Money Contract Deferred
This Item was Deferred

- 6. Annual Review of ADM-165 Investment Policy Approved
Annual Review of ADM-165, Investment Policy was presented for the Boards approval. Mr. Johnson presented an amended and restated Investment Policy and reviewed red lined items. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.)

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve the Annual Review of ADM-165 Investment Policy and the amended and restated Investment Policy as presented.

- 7. Authorization for General Manager to Spend Pre-Authorized Amount Approved
Authorization giving the General Manger, Jennifer Morrow, authority to spend up to \$100,000.00 monthly without first obtaining Board approval for general business operations, functions and approval of Change Orders was presented for the Boards approval. Expenditures are to be reported at the following Board meeting, The Board requested to have these terms created into a new policy for CLCWA.

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve authorization giving the General Manger, Jennifer Morrow, authority to spend pre-authorized amount without first obtaining Board approval.

- 8. Alternative Financing Methods Review
Mr. Joshua Kahn presented to the Board alternative and traditional financing options for a possible November 2016 Election. The traditional tax bond was determined to be the best route.

- 9. Tax Collector Report
A report of taxes collected and taxes outstanding as of March 31, 2016 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.)

- 10. Financial Report Approved
The Financial Report ending February 29, 2015 was presented for the Board's approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit F.)

Thereupon, by motion duly made by Director Graf and seconded by Director Johnson, the Board voted unanimously to approve the Financial Report ending February 29, 2016

- 11. Operating Disbursements Report, Approved
The Operating Disbursements Report ending March 31, 2016 was presented for the Board's 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 Johnson, the Board voted unanimously to approve the Operating Disbursements Report ending March 31, 2016.

- 12. Pay Application No. 2 for Water Plant No 1 Recoating Approved
Mr. Rosenbaum presented Pay Application No. 2 for Water Plant 1 Recoating 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 H.)

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 2 for Water Plant 1 Recoating for CFG Industries, LLC for \$40,203.00.

- 13. Pay Application No. 1 for Elevated Storage Tank No 2 Recoating Approved

Mr. Rosenbaum presented Pay Application No. 1 for Elevated Storage Tank No 2 Recoating for the Board's approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit I.)

Thereupon, by motion duly made by Director Graf and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 1 for Elevated Storage Tank No 2 Recoating for A&M Construction & Utilities, INC. for \$173,070.00.

- 14. Review Bids for Water System Phase 8 Rehabilitation Approved

Mr. Rosenbaum presented bids for Water System Phase 8 Rehabilitation for the Board's review and discussion to consider options, accept or reject the bids. (A copy of which is on file in the official records of the Authority and identified as Exhibit J.)

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve awarding the contract to the low bidder, CES Utilities, Inc. for \$227,898.00 and 60 Calendar days.

- 15. Pay Application No. 4 for Sanitary Sewer Phase 62 Rehabilitation Approved

Mr. Rosenbaum presented Pay Application No. 4 for Sanitary Sewer Phase 62 Rehabilitation for the Board's approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit K.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 4 for Sanitary Sewer Phase 62 Rehabilitation for T Construction, Inc. for \$71,694.00.

- 16. Pay Application No. 7 & Final for Sanitary Sewer Phase 63 TV Inspection Approved

Mr. Rosenbaum presented Pay Application No. 7 & Final for Sanitary Sewer Phase 63 TV Inspection for the Board's 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 Savely and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 7 & Final for Sanitary Sewer Phase 63 TV Inspection for Sewer Services of Texas, Inc. for \$31,981.50.

- 17. Review Bids for Sanitary Sewer Phase 68 Rehabilitation Approved

Mr. Rosenbaum presented bids for Sanitary Sewer Phase 68 Rehabilitation for the Board's review and discussion to consider options, accept or reject the bids. (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 Johnson and seconded by Director Morrow, the Board voted unanimously to approve awarding the contract to the low bidder, PM Construction for \$417,355.00 and 150 Calendar days.

- 18. Pay Application No. 8 & Final for Storm Sewer Phase 29 Rehabilitation Approved

Mr. Rosenbaum presented Pay Application No. 8 & Final for Sanitary Sewer Phase 29 Rehabilitation for the Board's approval (A copy of which is on file in the official records of the Authority and identified as Exhibit N.)

Thereupon, by motion duly made by Director Johnson and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 8 & Final for Sanitary Sewer Phase 29 Rehabilitation for R.L. Utilities, Inc. for \$62,107.00.

- 19. Pay Application No. 5 for Exploration Green Detention Pond Phase 1A Approved

Mr. Rosenbaum presented Pay Application No. 5 for Exploration Green Detention Pond Phase 1A for the Board's approval (A copy of which is on file in the official records of the Authority and identified as Exhibit O.)

Thereupon, by motion duly made by Director Graf and seconded by Director Johnson,

the Board voted unanimously to approve Pay Application No. 5 for Exploration Green Detention Pond Phase 1A for Paskey Incorporated, for \$29,304.14.

20. Engineering Report to the TCEQ for Bond Issue #36
Approved

Mr. Rosenbaum presented Bond Issue #36 application and related Engineering Report for Bond Issue #36 for the Board's approval (A copy of which is on file in the official records of the Authority and identified as Exhibit P.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the TCEQ Bond Issue #36 application and Engineering Report.

21. Engineer's Report

Mr. Rosenbaum presented a written status of projects for the Board's review and discussion. (A copy of which is on file in the official records of the Authority and identified as Exhibit Q.)

22. Capital Projects Disbursements, Approved

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

Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve the Capital Projects Report in the amount of \$608,252.01.

23. Attorney's Report

Mr. Tim Green discussed Closing Arguments from SOAH hearings and further discussions with UHCL regarding drainage plans.

24. Investment Summary Approved

The Investment Summary ending February 29, 2016 was presented for the Board's approval. (A copy of which is on file in the official records of the Authority and identified as Exhibit S.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve the Investment Summary ending February 29, 2016.

25. General Manager's Report

Mr. Curtis Rodgers spoke on behalf of Ms. Jennifer Morrow, in her absence.

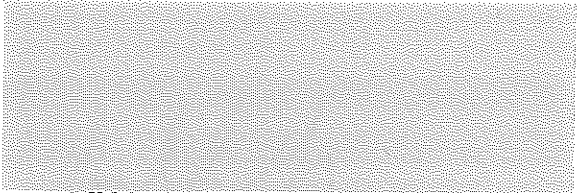
Mr. Curtis Rodgers informed the Board an open records request was received requesting very specific employee information. The request was reviewed by The Authority's consulting attorney to ensure appropriate compliance. After a discussion with the Board, it was determined a notice to the employees should go out the first week in May advising employees of the information the Authority is required to disclose.

26. Old and New Business

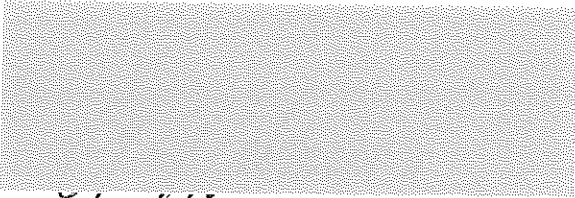
Information regarding National Take Back Initiative discussion ensued and Creating Social Media sites for CLCWA.

27. Meeting Adjourned

Director Branch declared the meeting adjourned at 9:50 pm.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)



DATE APPROVED: 5/12/16