



CLEAR LAKE CITY WATER AUTHORITY

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

December 12, 2016


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 in Regular Session open to the public at 900 Bay Area Boulevard within such Authority at 7:00 p.m. on December 15, 2016 for the following purposes:

1. Approve or correct minutes of the November 10, 2016 Regular Meeting;
2. Approve or correct minutes of the November 18, 2016 Special Meeting;
3. Comments from the floor (5 minute limitation);
4. Consider and act upon approval of water, sewer and drainage service to Port Commerce Phase 2 located at 4450 Genoa Red Bluff Rd.;
5. Consider and act upon approval of water, sewer and drainage service to Port Commerce Phase 2 Shell Building at 4460 Genoa Red Bluff Rd.;
6. Consider and act upon request for the Authority to operate WCID #161 outfall valve;
7. Consider and act upon hiring a Lobbyist for the 2017 State Legislature session;
8. Consider and act upon approving Resolution Declaring Intent to Reimburse Expenditure with Proceeds of Unlimited Tax and Revenue Bonds;
9. Discuss and act on Financial Advisors Report;
10. Consider and act upon Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and of Preliminary Official Statement, and Authorizing Publication of Notice of Sale for \$11,545,000 Series 2017 Bonds;
11. Consider and act upon Repudiation, Abandonment, Release and Termination of Utility Easement from Friendswood Development Company;
12. Consider and act upon hiring a stormwater quality wetlands consultant for Exploration Green;
13. Consider and act upon accepting a revised legal agreement with Ronald J. Freeman, legal counsel representing the SEWPP Co-Participants;

14. Consider and act upon Amendment to Earnest Money Contract for purchase of Elevated Storage Tank Site #6 from Trendmaker Homes, Inc.;
15. Receive Tax Assessor/Collector Report ending November 30, 2016;
16. Consider and act upon Financial Report ending September 30, 2016;
17. Consider and act upon the Operating Disbursement's Report ending November 30, 2016;
18. Review and approve Pay Application No. 1 for Water System Phase 11 Slope Repair;
19. Review bids and award contract for the recoating of Elevated Storage Tank No. 1;
20. Review and approve Pay Application No. 5 for Sanitary Sewer Phase 68 Rehabilitation;
21. Review and approve Pay Application No. 2 for Storm Sewer Phase 32 Manhole Rehabilitation;
22. Review and approve Pay Application No. 1 for Storm Sewer Phase 33 Rehabilitation;
23. Review and approve Pay Application No. 6 for Exploration Green Detention Pond Phase 1B;
24. Review and approve Pay Application No. 1 for the Administration Building Roof Replacement;
25. Review and act if necessary 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 if necessary upon Attorney's Report;
28. Consider and act upon the Investment Summary ending October 31, 2016;
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.


Jennifer Morrow
General Manager
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY

Board of Directors'
Regular Meeting Minutes
December 15, 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 December 15, 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 were present.
- Also present were:
- Ms. Jennifer Morrow, General Manager;
 Mr. Bill Rosenbaum, Engineer;
 Mr. Tim Green, Attorney;
 Mr. Samuel Johnson, Attorney;
 Mr. Sandy Sanford, Lobbyist, SK Law;
 Mr. Ryan LaRue, Attorney/Lobbyist, SK Law;
 Mr. Joshua Kahn, Attorney/Lobbyist, SK Law;
 Mr. Oscar Ortiz, Financial Advisor, RW Baird;
 Mr. Adam Cohen, Financial Advisor, RW Baird;
 Ms. Mary Ann Schatz, Capital Projects Bookkeeper;
 Ms. Amy Suttle, Customer Service Supervisor;
 Ms. Nikki Andrus, Recording Secretary.
- (A visitor roster copy is on file in the official records of the Authority and identified as Exhibit A.)
1. Minutes of 11/10/2016 This item was deferred to January.
 Regular Meeting
 Deferred
2. Minutes of 11/18/2016 Reading of the minutes of the November 18, 2016 Special Meeting was waived due to
 Special Meeting all Directors having received copies prior to the meeting.
 Approved

 Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve the minutes of the November 18, 2016 Special Meeting.
3. Comments from the There were no comments.
 Floor
4. Water, Sewer and A request for water, sewer and drainage service to Port Commerce Phase 2 at 4450
 Drainage Service to Port Genoa Red Bluff Rd was presented to the Board for review and approval. (A copy of
 Commerce Phase 2 at which is on file in the official records of the Authority and identified as Exhibit B.)
 4450 Genoa Red Bluff
 Rd
 Approved

 Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve the request for water, sewer and drainage service

to Port Commerce Phase 2.

5. Water, Sewer and Drainage Service to Port Commerce Phase 2 Shell Building at 4460 Genoa Red Bluff Rd
Approved

A request for water, sewer and drainage service to Port Commerce Phase 2 Shell Building at 4460 Genoa Red Bluff Rd. 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 C.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the request for water, sewer and drainage service to Port Commerce Phase 2 Shell Building.
6. Operation of WCID #161 Outfall Valve
Denied

A request for the Clear Lake City Water Authority to take over operation of the WCID #161 Outfall Valve was given 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 D.)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to deny the request for CLCWA taking over the WCID #161 outfall valve.
7. Hiring a Lobbyist for the 2017 Legislative Session
Approved

A discussion was held to consider hiring Sanford Kuhl Hagan Kugle Parker Kahn LLP (the "Lobbyist") as a lobbyist to act in the Authority's best interest for the 2017 Legislative Session.

Thereupon, a motion was duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve hiring the Lobbyist for the 2017 Legislative Session.
8. Resolution Declaring Intent to Reimburse Expenditure with Proceeds of Unlimited Tax and Revenue Bonds
Approved

Mr. Josh Kahn presented a Resolution Declaring Intent to Reimburse Expenditure with Proceeds of Unlimited Tax and Revenue Bonds 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 E.)

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve the Resolution Declaring Intent to Reimburse Expenditure with Proceeds of Unlimited Tax and Revenue Bonds.
9. Financial Advisors Report

Mr. Adam Cohen presented a financial report combined with agenda item No. 10.
10. Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and of Preliminary Official Statement, and Authorizing Publication of Notice of Sale for \$11,545,000 Series 2017 Bonds
Approved

Mr. Adam Cohen reported to the Board the Financial Advisors recommendations and presented the Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and of Preliminary Official Statement, and Authorizing Publication of Notice of Sale for \$11,545,000 Series 2017 Bonds 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.)

Thereupon, by motion duly made by Director Graf and seconded by Director Johnson, the Board voted unanimously to approve the Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and of Preliminary Official Statement, and Authorizing Publication of Notice of Sale for \$11,545,000 Series 2017 Bonds.
11. Repudiation, Abandonment, Release and Termination of Utility Easement on Royal Crest Dr.
Approved

The Repudiation, Abandonment, Release and Termination of Utility Easement previously conveyed from Friendswood Development Company was presented to the Board for review and approval. The easement is for a 12' wide storm sewer in the middle of the property, running parallel to Royal Crest Dr. from Bay Area Blvd. to Regents Park Dr. The existing storm sewer main runs along the perimeter of the property. (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 Graf and seconded by Director Johnson, the Board voted unanimously to approve the Repudiation, Abandonment, Release and Termination of Utility Easement from Friendswood Development Company.

12. Hiring a Stormwater Quality Wetlands Consultant for Exploration Green
Approved

A proposal for hiring Mary Carol Edwards as a consultant for stormwater quality wetlands for Exploration Green 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 Savely and seconded by Director Johnson, the Board voted unanimously to approve hiring Mary Carol Edwards as a stormwater quality wetlands consultant for Exploration Green.

13. Agreement with Ronald J. Freeman Representing the SEWPP Co-Participants
Approved

Legal Agreements with Ronald J. Freeman, legal counsel representing the SEWPP Co-Participants, which includes a SEWPP joint representation agreement and the Co-Participants Agreement with Graves Dougherty Hearon Moody, was given 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 I.)

Thereupon, by motion duly made by Director Savely and seconded by Director Johnson, the Board voted unanimously to approve the agreements contingent upon review of the documents by staff and legal.

14. Amendment to Earnest Money Contract for Purchase of Elevated Storage Tank Site #6 from Trendmaker Homes, Inc.
Approved

An Amendment to the Earnest Money Contract for purchase of Elevated Storage Tank Site #6 from Trendmaker Homes, Inc. was presented to the Board for review and approval. The site had to be adjusted to meet certain City of Houston requirements. (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 Morrow and seconded by Director Graf, the Board voted unanimously to approve the Amendment to the Earnest Money Contract contingent upon modification of the contract amendment to provide Trendmaker will be required to notify residents within 500 feet of the site, CLCWA will be allowed to install a sign with future construction plan information and Trendmaker will cooperate with future re-plant of the site.

15. Tax Assessor/Collector's Report

The Tax Assessor/Collector's Report ending September 30, 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 K.)

16. Financial Report
Approved

The Financial Report ending September 30, 2016 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 L.)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve the Financial Report ending September 30, 2016.

17. Operating Disbursements Report
Approved

The Operating Disbursements Report for the period ending November 30, 2016 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 Johnson and seconded by Director Graf, the Board voted unanimously to approve the Operating Disbursements Report for the period ending November 30, 2016.

18. Pay Application No. 1 for Water Phase 11 Slope Repair
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Water System Phase 11 Slope Repair 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 N.)
- Thereupon, by motion duly made by Director Johnson and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 1 for Water System Phase 11 Slope Repair for Urelift Gulf Coast, L.P. for \$167,998.50.
19. Review Bids for Recoating of Elevated Storage Tank No. 1
Approved
- Mr. Rosenbaum presented bids received for Elevated Storage Tank No. 1 Recoating 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 O.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Savely, the Board voted unanimously to approve awarding the contract to the low bidder CFG Industries, LLC, with a bid of \$291,000.00, 90 Calendar days and using the base bid to include the Life Guard primer.
20. Pay Application No. 5 for Sanitary Sewer Phase 68 Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 5 for Sanitary Sewer Phase 68 Rehabilitation 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 P.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve Pay Application No. 5 for Sanitary Sewer Phase 68 Rehabilitation for PM Construction & Rehab, LLC. for \$46,918.17.
21. Pay Application No. 2 for Storm Sewer Phase 32 Manhole Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 2 for Storm Sewer Phase 32 Manhole Rehabilitation 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 Q.)
- Thereupon, by motion duly made by Director Graf and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 2 for Storm Sewer Phase 32 Manhole Rehabilitation for Standard Cement Materials, Inc. for \$23,870.70.
22. Pay Application No. 1 for Storm Sewer Phase 33 Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Storm Sewer Phase 33 Rehabilitation 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 R.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 1 for Storm Sewer Phase 33 Rehabilitation for National Rodding Corp. for \$47,602.80.
23. Pay Application No. 6 for Exploration Green Detention Pond Phase 1B
Approved
- Mr. Rosenbaum presented Pay Application No. 6 for Exploration Green Detention Pond Phase 1B 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 S.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 6 for Exploration Green Detention Pond Phase 1B for Lecon, Inc. for \$47,046.60.
24. Pay Application No. 1 for Administration Building Roof Replacement
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for the Administration Building Roof Replacement 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 T.).
- Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 1 for Administration Building Roof Replacement for Trumble Construction, Inc. for \$141,515.20.

25. Engineers 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 U.)
26. 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 V.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the Capital Projects Report in the amount of \$590,123.59.
27. Attorney's Report
- Mr. Samuel Johnson reported on the issue of repairs needed to Beacon Rd. and some of the property owners who use that road are refusing to pay their share of the repairs. The Board agreed to have staff send a letter to the property owners asking for their corporation first, and then the Board will consider pursuing further action if needed including liens.
- Mr. Tim Green reported on the possible annexation of the STLVWSC into the Authority. There are many issues to resolve before an annexation can be considered. Per the Board discussion, all communication from Legal and Engineering is temporarily suspended until the \$10,000 deposit policy is met.
28. Investment Summary Approved
- The Investment Summary for the period ending October 31, 2016 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 W.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the Investment Summary for the period ending October 31, 2016.
29. General Manager's Report
- Ms. Morrow announced that the employee Christmas luncheon will be held on Friday, December 23, 2016 at 11:00 a.m.
- Ms. Morrow discussed resident Mary Alice Cherry who was concerned regarding an increase in her taxes or water bill. The taxes were increased due to the value of her home increasing \$15,000.00 with the Appraisal District. The water bill remained the same over the last two billing cycles.
- Ms. Morrow reported that the budget for 2015 for the SEWPP was settled and they are currently working on the 2016 budget. Houston stated they want out of operating the SEWPP by January 2018 and have set up a timeline.
- Mr. Morrow reported that there is a company using the Authority's website to try and collect payments from residents. This is a bill paying service we do not use and is suspected fraudulent. A letter was sent demanding they remove the link to our website. A warning to residents not to use this link to pay was added to the CLCWA website and on Facebook.
- Ms. Morrow discussed the coordination for tree planting for Exploration Green to be the second week of January.
- Ms. Morrow discussed the public notification requirements received from the TCEQ for a lead & copper and monthly sampling violation. A draft was presented to the Board and requested all comments to be returned by Monday, December 19, 2016.

30. Old and New Business Nothing to discuss.

31. Meeting Adjourned President Branch declared the regular open meeting adjourned at 9:20 pm.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)



DATE APPROVED: 1-12-17