

## CLEAR LAKE CITY WATER AUTHORITY

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

February 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 at 7:00 p.m. on February 10, 2011 for the following purposes:

1. Approve or correct minutes of the January 13, 2011 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon adjusting the caps on Director's fees to comply with TWC Section 49.060 as revised by Texas House Bill 3214 during the 78<sup>th</sup> Regular Legislative Session;
4. Consider and act upon approval of financial audit ending September 30, 2010;
5. Consider adopting Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and of Preliminary Official Statement, and Authorizing Publication of Notice of Sale;
6. Consider Approving Resolution Authorizing Financial Advisor to Bid on Bonds;
7. Consider Approving Resolution Authorizing Transfer of Interest Earnings;
8. Receive Tax Assessor/Collector Report ending January 31, 2011;
9. Consider and act upon Financial Report ending November 30, 2010;
10. Consider and act upon approval of Operating Disbursement's Report ending January 31, 2011;
11. Review and approve Pay Application No. 3 for Sanitary Sewer Phase 40 TV Inspection;
12. Review and approve Pay Application No. 5 for Sanitary Sewer Phase 47 Manhole Rehabilitation;
13. Review and approve Pay Application No. 7 and Final for Storm Sewer Phase 15 Rehabilitation;
14. Review and approve Change Order No. 2 for Storm Sewer Phase 16 Rehabilitation;
15. Review and approve Pay Application No. 4 for Storm Sewer Phase 16 Rehabilitation;
16. Review and approve Pay Application No. 4 for Storm Sewer Phase 17 TV Inspection;

17. Review bids and award the construction contract for the WWTP Blower Replacement (Bond Issue #28);
18. Consider and act upon a Resolution for release of funds for El Camino Water Line Project;
19. Authorize the advertising for construction bids for Lift Station No. 22 Force Main
20. Review and act upon Engineer's Report and any matters pertaining to construction contracts;
21. Consider and act upon Capital Projects Disbursements;
22. Receive and act upon Attorney's Report;
23. Consider and act upon Investment Summary ending December 31, 2010;
24. Receive General Managers Report;
25. 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.

  
Curtis Rodgers  
Director of Utilities

(SEAL)

**CLEAR LAKE CITY WATER AUTHORITY**  
 Board of Directors'  
 Regular Meeting Minutes  
 February 10, 2011

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 the 10<sup>th</sup> of February 2011 and the 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  
 Steven Eustis, Financial Advisor  
 Mike McCall, Auditor  
 Julianne Kugle, Bond Attorney

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

1. Minutes of 1/13/2011  
 Regular Meeting  
 Approved

Reading of the minutes of the 1/13/2011 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 Ferguson the Board voted unanimously to approve the minutes of the 1/13/2011 meeting.

2. Comments from the  
 Floor

Jason Kieschnick, a developer and representative for 201 Flintridge proposed to the Board to lease or buy CLCWA's property located at 17000 Mill Forest for additional parking. They are interested in the wooded area next to CLCWA's water plant. The proposal is for 60-70 additional parking spaces, which would not take up the entire wooded area. The Board is taking this under consideration. (Copy attached hereto as part of these minutes and identified as Exhibit B.)

3. Director's Fee Cap to  
 Comply with TWC  
 Section 49.060  
 Approved

A resolution to adjust the caps on Director's fees to comply with the TWC Section 49.060 as revised by Texas House Bill 3214 during the 78<sup>th</sup> Regular Legislative Session was presented to the Board. The Board Resolution sets fees for office at \$150/day maximum and a fiscal cap at \$7200 per fiscal year. (Copy attached hereto as part of these minutes and identified as Exhibit C.)

By motion duly made by Director Johnson and seconded by Director Ferguson the Board voted unanimously to approve the Resolution for Director's fees.

4. Financial Audit for Year  
 Ending September 30,  
 2010  
 Approved

Mr. Mike McCall presented the financial audit for the year ending September 30, 2010 for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit D).

Thereupon, by motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve the financial audit ending September 30, 2010.

5. Order Adopting Official Notice of Sale and Bid Form, Authorizing Distribution Thereof and Preliminary Official Statement and Authorizing Publication of Notice of Sale  
Approved

An order adopting the Official Notice of Sale and Bid Form, authorization distribution thereof and of Preliminary Official Statement, and authorizing publication of Notice of Sale was presented to the Board for approval. (Copy attached hereto as part of these minutes and identified as Exhibit E.)

By motion duly made by Director Branch and seconded by Director Savely the Board voted unanimously to approve the order adopting the Official Notice of Sale and Bid Form, authorization distribution thereof and of Preliminary Official Statement, and authorizing publication of Notice of Sale.
6. Resolution Authorizing Financial Advisor to Bid on Bonds  
Approved

A Resolution Authorizing Financial Advisors to Bid on the Bonds was presented to the Board for 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 Savely the Board voted unanimously to approve the Resolution.
7. Resolution Authorizing Transfer of Interest Earnings  
Approved

A Resolution Authorizing Transfer of Interest Earnings was presented to the Board for 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 the Resolution.
8. Tax Collector Report

Ms. Cumming presented a report of taxes collected and taxes outstanding as of January 31, 2011 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit H.)
9. Financial Report  
Approved

The Financial Report ending November 30, 2010 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 Savely and seconded by Director Ferguson the Board voted unanimously to approve the Financial Report ending November 30, 2010.
10. Operating Disbursements  
Approved

The Operating Disbursements Report ending January 31, 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 Savely and seconded by Director Branch the Board voted unanimously to approve the Operating Disbursements Report ending January 31, 2011.
11. Pay Application No. 3 for Sanitary Sewer Phase 40 TV Inspection  
Approved

Mr. Rosenbaum presented Pay Application No. 3 for Sanitary Sewer Phase 40 TV Inspection 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 Savely and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 3 for CleanServe Inc. in the amount of \$112,574.52.

12. Change Order No. 2 for Sanitary Sewer Phase 47 Manhole Rehabilitation  
Approved

Mr. Rosenbaum presented Change Order No. 2 for Sanitary Sewer Phase 47 Manhole 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 Branch and seconded by Director Ferguson the Board voted unanimously to Change Order No. 2 for CDC Unlimited, LLC. in the amount of \$900 and no additional calendar days requested.
13. Pay Application No. 7 & Final for Storm Sewer Phase 15 Rehabilitation  
Approved

Mr. Rosenbaum presented Pay Application No. 7 & Final for Storm Sewer Phase 15 Rehabilitation 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 Ferguson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 7 & Final for R. L. Utilities in the amount of \$53,725.50.
14. Change Order No. 2 for Storm Sewer Phase 16 Rehabilitation  
Approved

Mr. Rosenbaum presented Change Order No. 2 for Storm Sewer Phase 16 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 Savely and seconded by Director Ferguson the Board voted unanimously to approve Change Order No. 2 for R. L. Utilities in the amount of \$18,075.00 and 7 additional calendar days.
15. Pay Application No.4 for Storm Sewer Phase 16 Rehabilitation  
Approved

Mr. Rosenbaum presented Pay Application No. 4 Storm Sewer Phase 16 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 Branch the Board voted unanimously to approve Pay Application No. 4 for R.L. Utilities in the amount of \$108,180.00.
16. Pay Application No.1 for Storm Sewer Phase 17 TV Inspection  
Approved

Mr. Rosenbaum presented Pay Application No.1 for Storm Sewer Phase 17 TV Inspection 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 Branch and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 1 for Midwest Trenchless Technologies, Inc. in the amount of \$35,949.74.
17. Award Contract for WWTP Blower Replacement (Bond Issue No. 28)  
Approved

Mr. Rosenbaum presented the bids received for WWTP Blower Replacement (Bond Issue No. 28) 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 Johnson the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the engineer's recommendation, R & B Group, Inc., with a bid of \$595,000.00 and 270 calendar days.
18. Resolution for Release of Funds for El Camino Water Line Project  
Deferred

Deferred.

19. Authorize Advertising for Construction Bids for Lift Station No. 22 Force Main Approved

Mr. Rosenbaum requested Board approval to authorize advertising for construction bids for Lift Station No. 22. Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve the advertising for bids for Lift Station No. 22 Force Main.

20. 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.)

21. 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 P.)

Thereupon, by motion duly made by Director Branch and seconded by Director Savely, the Board voted unanimously to approve the Capital Projects Report in the amount of \$511,936.03.

22. Attorney's Report

Mr. Schweinle requested an executive session to discuss potential and existing litigation.

23. Investment Summary Approved

The Investment Summary ending December 31, 2010 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 Savely and seconded by Director Branch the Board voted unanimously to approve the Investment Summary ending December 31, 2010.

24. General Manager's Report

Mr. Byrd reported that the Pappas Tract West Mansion has approached CLCWA for water/sewer capacity. It is still very preliminary but CLCWA will look in to the nearest available tie-in.

Mr. Byrd reported about the Chromium 6 issue. He has found a letter from the AWWA contesting a few unclarified points in the EPA's testing proposal but has not been able to locate the actual EPA testing proposal.

Mr. Byrd discussed resetting the Meter Workshop. It was decided that the Meter Workshop will be held on 2/22/2011 at 6:00 p.m. in the Board room.

Mr. Byrd reported the SEWPP OAC is still contesting true-ups for 2007, 2008, and 2009. Participants are meeting about this issue and Mr. Byrd will update the Board as more information becomes available.

Mr. Byrd reported that very little overtime was incurred specifically related to the recent freezing weather.

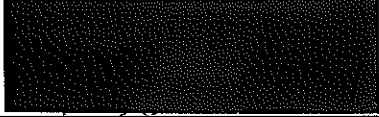
25. Old and New Business

Director Savely reported that he and Director Branch met with the Ellington Airport Authority to discuss a preliminary drainage plan being studied.


President Yoder asked that all agenda items be turned in to Administration by the Friday before the Board meeting no later than 2:00 p.m. Mr. Byrd will notify the staff and send out an email to all consultants.

26. Meeting Adjourned

President Yoder declared the meeting adjourned at 8:47 p.m.



Secretary, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY



President, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)