

## CLEAR LAKE CITY WATER AUTHORITY

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

March 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 March 10, 2011 for the following purposes:

1. Approve or correct minutes of the February 10, 2011 Regular Meeting;
2. Approve or correct minutes of the February 22, 2011 Workshop Meeting;
3. Comments from the floor (5 minute limitation);
4. Consider and act upon water, sewer, and drainage service to 1501 Bay Area, Orbits Convenience Store and Texaco Gas Station;
5. Review bids and consider awarding sale of Series 2011 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds (the "Bonds");
6. Approve and authorize execution of the following in connection with the issuance of the Bonds:
  - a. Order Authorizing Issuance of the Bonds;
  - b. Resolution Approving Official Statement;
  - c. General Certificate;
  - d. Signature Identification and No-Litigation Certificate;
  - e. Tax Exemption Certificate;
  - f. Closing Certificate of President;
  - g. Bond Registrar, Paying Agency and Transfer Agency Agreement;
  - h. DTC Blanket Issue Letter of Representation;
  - i. Letters addressed to Attorney General of Texas and Sanford Kuhl Hagan Kugle Parker Kahn LLP regarding dating of the Signature Identification and No-Litigation Certificate and the General Certificate and Letter to the Comptroller regarding delivery of the Initial Bonds;

- j. Rule 15c2-12 Certificate;
  - k. k. IRS Form 8038-G; and
  - l. Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas; and
7. Consider approving Order Authorizing Application for Approval of Bond Issue by the Texas Commission on Environmental Quality;
  8. Consider Approving Resolution Authorizing Application to the Texas Commission on Environmental Quality for Use of Surplus Funds;
  9. Receive Tax Assessor/Collector Report ending February 28, 2011;
  10. Consider and act upon Financial Report ending December 31, 2010;
  11. Consider and act upon approval of Operating Disbursement's Report ending February 28, 2011;
  12. Review and approve Pay Application No. 1 for El Camino Water Line Project;
  13. Review and approve Change Order No. 1 for Interior and Exterior Recoating of Elevated Storage Tank No. 4;
  14. Review and approve Pay Application No. 1 for Interior and Exterior Recoating of Elevated Storage Tank No. 4;
  15. Review and approve Pay Application No. 4 for Sanitary Sewer Phase 40 TV Inspection;
  16. Review and approve Pay Application No. 1 for Sanitary Sewer Phase 41 Rehabilitation;
  17. Review and approve Pay Application No. 5 for Sanitary Sewer Phase 47 Manhole Rehabilitation;
  18. Review and approve Pay Application No. 5 for Storm Sewer Phase 16 Rehabilitation;
  19. Review and approve Pay Application No. 2 for Storm Sewer Phase 17 TV Inspection;
  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 January 31, 2011;
  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.

A black rectangular redaction box covers the signature of James H. Byrd. The signature is written in cursive and is partially visible above and below the redaction.

James H. Byrd  
General Manager  
Clear Lake City Water Authority

(SEAL)

**CLEAR LAKE CITY WATER AUTHORITY**

Board of Directors'  
Regular Meeting Minutes  
March 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 March 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 except Mr. Vince Johnson.

Also present were:

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

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

1. Appoint Acting Secretary  
President Yoder appointed Director Branch as acting secretary. Director Savely was present, but had a hand injury limiting document signing.
2. Minutes of 2/10/11 Regular Meeting Approved  
Reading of the minutes of the 2/10/2011 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 2/10/2011 meeting.
3. Minutes of 2/22/11 Workshop Meeting Approved  
Reading of the minutes of the 2/22/2011 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 2/22/2011 meeting.
4. Comments from the Floor  
None.
5. Water, Sewer, Drainage Service to 1501 Bay Area Blvd. Approved  
A request for water, sewer, and drainage service for Orbits Convenience Store and Texaco Gas Station at 1501 Bay Area Blvd. was presented to the Board for approval. (Copy attached hereto as part of these minutes and identified as Exhibit B).

By motion duly made by Director Ferguson and seconded by Director Savely the Board voted unanimously to approve the request for water, sewer, and drainage service to the Orbits Convenience Store and Texaco Gas Station.

6. Series 2011 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds Approved

Bids were presented to the Board for the Series 2011 Waterworks and Sewer. Southwest Securities, Inc. was the lowest bidder at 4.398452%. (Copy attached hereto as part of these minutes and identified as Exhibit C).

Thereupon, by motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve the bid from Southwest Securities, Inc. for the Series 2011 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds.

7. Various Items in Relation to Issuance of the Bonds Approved

The following items were presented to the Board for approval in relation to issuance of the Series 2011 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds: Order Authorizing Issuance of Bonds; Resolution Approving Official Statement; General Certificate; Signature Identification and No-Litigation Certificate; Tax Exemption Certificate; Closing Certificate of President; Bond Registrar, Paying Agency and Transfer Agency Agreement; DTC Blanket Issue Letter of Representation; Letters addressed to the Attorney General of Texas and Sanford Kuhl Hagan Kugle Parker Kahn LLP regarding dating of the Signature Identification and No-Litigation Certificate and the General Certificate and Letter to the Comptroller regarding delivery of the initial Bonds; Rule 15c2-12 Certificate; IRS Form 8038-G; and other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas. (Copy attached hereto as part of these minutes and identified as Exhibit D.)

By motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve the above listed items.

8. Order Authorizing Application for Approval of Bond Issue by the TCEQ Approved

An Order Authorizing Application for Approval of Bond Issue by the TCEQ was presented to the Board for approval. (Copy attached hereto as part of these minutes and identified as Exhibit E.)

Thereupon, by motion duly made by Director Branch and seconded by Director Ferguson the Board voted unanimously to approve the Order.

9. Resolution Authorizing Application for Approval of Bond Issue by the TCEQ Approved

A Resolution Authorizing Application to the Texas Commission on Environmental Quality for Use of Surplus Funds was presented to the Board for approval. \$178,000 from the 2005 9.6 Bond Issue is being requested for the El Camino Water Line project. (Copy attached hereto as part of these minutes and identified as Exhibit F.)

Thereupon, by motion duly made by Director Savely and seconded by Director Ferguson the Board voted unanimously to approve the Resolution.

10. Tax Collector Report

Ms. Cumming presented a report of taxes collected and taxes outstanding as of February 28, 2011 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit G.)

11. Financial Report Approved

The Financial Report ending December 31, 2010 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit H.)

Thereupon, by motion duly made by Director Branch and seconded by Director Savely the Board voted unanimously to approve the Financial Report ending December 31, 2010.

12. Operating Disbursements  
Approved

The Operating Disbursements Report ending February 28, 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 Branch and seconded by Director Savely the Board voted unanimously to approve the Operating Disbursements Report ending February 28, 2011.

13. Pay Application No. 1 for El Camino Water Line Project  
Approved

Mr. Rosenbaum presented Pay Application No. 1 for El Camino Water Line Project for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit J.)

Thereupon, by motion duly made by Director Ferguson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 1 for Lone Star Road Construction in the amount of \$27,360.00.

14. Change Order No. 1 for Interior and Exterior Recoating of Elevated Storage Tank No. 4  
Approved

Mr. Rosenbaum presented Change Order No. 1 Interior and Exterior Recoating of Elevated Storage Tank No. 4 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 Branch and seconded by Director Ferguson the Board voted unanimously to Change Order No. 1 for M.K. Painting in the amount of \$13,000 and no additional calendar days requested.

15. Pay Application No. 1 for Interior and Exterior Recoating of Elevated Storage Tank  
Approved

Mr. Rosenbaum presented Pay Application No. 1 for Interior and Exterior Recoating of Elevated Storage Tank 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 approve Pay Application No. 1 for M.K. Painting in the amount of \$13,500.00.

16. Pay Application No.4 for Sanitary Sewer Phase 40 TV Inspection  
Approved

Mr. Rosenbaum presented Pay Application No. 4 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 M.)

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 4 for CleanServe, Inc. in the amount of \$33,833.70.

17. Pay Application No.1 for Sanitary Sewer Phase 41 Rehabilitation  
Approved

Mr. Rosenbaum presented Pay Application No.1 for Sanitary Sewer Phase 41 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 Branch the Board voted unanimously to approve Pay Application No. 1 for PM Construction & Rehab, Inc. in the amount of \$3,883.00.

18. Pay Application No.5 for Sanitary Sewer Phase 47 Manhole Rehabilitation  
Approved


Mr. Rosenbaum presented Pay Application No.5 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 O.)


Thereupon, by motion duly made by Director Branch and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 5 for CDC Unlimited, LLC. in the amount of \$7,651.00.

19. Pay Application No.5 for Storm Sewer Phase 16 Rehabilitation Approved  
Mr. Rosenbaum presented Pay Application No.5 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 P.)  
Thereupon, by motion duly made by Director Branch and seconded by Director Ferguson the Board voted unanimously to approve Pay Application No. 5 for R.L. Utilities in the amount of \$31,306.50.
20. Pay Application No.2 for Storm Sewer Phase 17 TV Inspection Approved  
Mr. Rosenbaum presented Pay Application No.2 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 Q.)  
Thereupon, by motion duly made by Director Ferguson and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 2 for Midwest Trenchless Technologies, Inc. in the amount of \$29,525.31.
21. 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.)
22. 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 Savely, the Board voted unanimously to approve the Capital Projects Report in the amount of \$239,961.58.
23. Attorney's Report  
Mr. Schweinle requested an executive session to discuss potential and existing litigation.
24. Investment Summary Approved  
The Investment Summary ending January 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 January 31, 2010.
25. General Manager's Report  
Mr. Byrd reported that several valves at the Wastewater Treatment Plant will need replacement in the near future and looking at possible funding with a future bond issue.  
Mr. Byrd reported Darryl Johnson, a NASA contract specialist is requesting a meeting about water and wastewater contracts. Mr. Byrd will set up a meeting and report back to the Board next month.
26. Old and New Business  
The Board agreed they are not interested in selling or leasing property on Mill Forest near CLCWA's Water Plant. Mr. Byrd will inform Jason Kieschnick.

27. Meeting Adjourned

President Yoder declared the meeting adjourned at 8:08 p.m.

  
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President, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY

  
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Secretary, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY (SEAL)