

CLEAR LAKE CITY WATER AUTHORITY

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

May 7, 2012

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 May 10, 2012 for the following purposes:

1. Approve or correct minutes of the April 12, 2012 Regular Meeting;
2. Approve or correct minutes of the May 2, 2012 Special Meeting;
3. Comments from the floor (5 minute limitation);
4. Consider and act upon appointment of director to fill vacancy;
5. Consider and act upon accepting Oath of Office and Statement of Appointed Officer;
6. Consider and act upon authorizing filing of revised Registration Form with the TCEQ;
7. Consider and act upon opening a new Wells Fargo account for the 2011 Capital Projects \$7.13m;
8. Consider and act upon opening a new Wells Fargo account for the 2012 Capital Projects \$6.3m;
9. Receive Tax Assessor/Collector Report ending April 30, 2012;
10. Consider and act upon Financial Report ending March 31, 2012;
11. Consider and act upon the Operating Disbursement's Report ending April 30, 2012;
12. Review and approve Pay Application No. 3 for the Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant No. 2;
13. Review and approve Change Order No. 1 for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff;
14. Review and approve Pay Application No. 1 & Final for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff;
15. Review and approve Change Order No. 2 for El Camino Real Utility Adjustments;

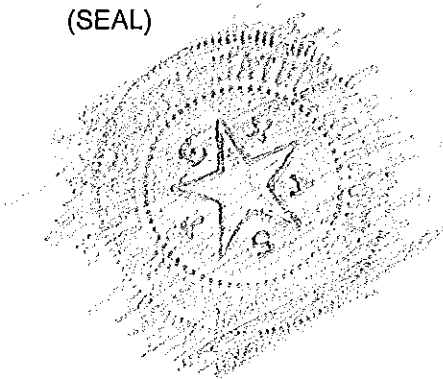
16. Review and approve Pay Application No. 5 for El Camino Real Utility Adjustments;
17. Review and approve Pay Application No. 1 for Water Plant No. 4 Emergency Generator;
18. Review and approve Pay Application No. 1 for the Robert T. Savelly Water Reclamation Facility, Lift Station No. 4, Water Plant No. 3 Electrical Modifications;
19. Review and approve Pay Application No. 7 & Final for Sanitary Sewer Phase 43 TV Inspections;
20. Review and approve Pay Application No. 2 for Sanitary Sewer Phase 48 Rehabilitation;
21. Receive bids and award the construction contract for the Robert T. Savelly Water Reclamation Facility Digester Blower Replacements;
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 March 31, 2012;
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
May 10, 2012

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 10th of May 2012. 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;

All were present.

Also present were:

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

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

1. Minutes of 4/12/2012
Regular Meeting
Approved

Reading of the minutes of the April 12, 2012 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 Branch the Board voted unanimously to approve the minutes of the April 12, 2012 meeting.

2. Minutes of 5/2/2012
Regular Meeting
Approved

Reading of the minutes of the May 2, 2012 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 May 2, 2012 meeting.

3. Comments from the
Floor

Ms. Allie Smart on behalf of City of Houston, representing Councilmember Mike Sullivan's office, delivered and thanked the Board for reaching a resolution on the Drainage Fee Agreement.

David Gregory representing the Primrose School located on Falcon Pass addressed the Board and requested a detention variance for future development. The Board said to have an agenda item at the next meeting. The attorney, engineer and hydrologist consultants will have to review the request before consideration of the request.

4. Appointment of Director to Fill Vacancy
Approved

President Yoder presented Mr. Gordon Johnson as a nomination to the Board for appointment of a director to fill the vacancy left by Director John Ferguson. Director Vince Johnson read a written statement outlining qualifications and nominated candidate Robert Nicholas. After a lengthy discussion, by motion duly made by Director Savely and seconded by Director Branch the Board voted to appoint Mr. Gordon Johnson as a Director. President Yoder, Director Branch, and Director Savely voted in favor of Mr. Gordon Johnson. Director Vince Johnson voted opposed, and requested his written statement be entered in to the minutes as an official exhibit. (Copy attached hereto as part of these minutes and identified as Exhibit B.) . Motion carried with 3 aye votes to 1 no vote.

5. Acceptance of Oath of Office and Statement of Appointed Officer
Approved

The Oath of Office and Statement of Appointed Officer was taken by Mr. Gordon Johnson, signed, notarized and presented to the Board for acceptance. (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 Branch the Board voted to approve accepting Mr. Gordon Johnson as an official Board of Director for the Clear Lake City Water Authority. Director Vince Johnson voted opposed. Motion carried with 3 aye votes to 1 no vote. Director Johnson was seated at the Board table.

6. Authorize Filing Revised Registration Form with the TCEQ
Approved

A request to authorize staff to file a revised registration form with the TCEQ to update the Board of Directors was presented for the Board's approval.

Thereupon, by motion duly made by Director Branch and seconded by Director Savely the Board voted unanimously to authorize staff to file a revised registration form with the TCEQ.

7. New Wells Fargo Bank Account for the \$4.305m Bond Issue
Approved

A request to open a new account at Wells Fargo for the \$4.305m Bond Issue was presented for the Board's approval.

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve the new Wells Fargo Bank account for the \$4.305m Bond Issue.

8. New Wells Fargo Bank Account for the 2012 Capital Projects \$6.3m
Approved

A request to open a new account at Wells Fargo for the 2012 Capital Projects \$6.3m Bond Issue was presented for the Board's approval.

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve the new Wells Fargo Bank account for the 2012 Capital Projects \$6.3m Bond Issue.

9. Tax Collector Report

Ms. Cumming presented a report of taxes collected and taxes outstanding as of April 30, 2012 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit D.)

10. Financial Report
Approved

The Financial Report ending March 31, 2012 was presented for the Board's 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 Vince Johnson the Board voted unanimously to approve the Financial Report ending March 31, 2012.

11. Operating Disbursements Report Approved

The Operating Disbursements Report ending April 30, 2012 was presented for the Board's 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 Vince Johnson the Board voted unanimously to approve the Operating Disbursements Report ending April 30, 2012.

12. Pay Application No.3 for Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant No. 2 Approved

Mr. Rosenbaum presented Pay Application No. 3 for Interior and Exterior Recoating of Ground Storage Tanks No. 1 & 2 at Water Plant No. 2 for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit G.)

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 2 for M.K. Painting for \$67,657.50.

13. Change Order No. 1 for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff Approved

Mr. Rosenbaum presented Change Order No. 1 for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit H.)

Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve Change Order No. 1 for CDC Unlimited, LLC. for \$2,022.50.00 and no additional calendar days requested.

14. Pay Application No. 1 & Final for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff Approved

Mr. Rosenbaum presented Pay Application No. 1 & Final for 8-inch Water Line Loop at Space Center Boulevard and Genoa Red Bluff for the Board's review and 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 Branch the Board voted unanimously to approve Pay Application No. 1 & Final for CDC Unlimited, LLC. for \$36,191.50.

15. Change Order No. 2 for El Camino Real Utility Adjustments Approved

Mr. Rosenbaum presented Change Order No. 2 for El Camino Real Utility Adjustments 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 Savely and seconded by Director Branch the Board voted unanimously to approve Change Order No. 2 for CDC Unlimited, LLC. for \$6,650.00 and no additional calendar days requested.

16. Pay Application No. 5 El Camino Real Utility Adjustments Approved

Mr. Rosenbaum presented Pay Application No. 5 for El Camino Real Utility Adjustments 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 Savely the Board voted unanimously to approve Pay Application No. 5 for CDC Unlimited, LLC. for \$10,107.00.

17. Pay Application No.1 for Water Plant No. 4 Emergency Generator Approved

Mr. Rosenbaum presented Pay Application No. 1 for Water Plant No. 4 Emergency Generator 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 Savely the Board voted unanimously to approve Pay Application No. 1 for W.W. Payton Corporation for \$55,444.00.

18. Pay Application No. 1 for Robert T. Savely Water Reclamation Facility, Lift Station No. 4, and Water Plant No. 3 Electrical Modifications
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Robert T. Savely Water Reclamation Facility, Lift Station No. 4, and Water Plant No. 3 Electrical Modifications 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 Branch and seconded by Director Savely the Board voted unanimously to approve Pay Application No. 1 for C.F. McDonald Electric for \$132,300.00.
19. Pay Application No. 7 & Final for Sanitary Sewer Phase 43 TV Inspections
Approved
- Mr. Rosenbaum presented Pay Application No. 7 & Final for Sanitary Sewer Phase 43 TV Inspections 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 Branch the Board voted unanimously to approve Pay Application No. 7 & Final for Quality Pipe Services for \$16,442.74 with a total deduction of \$4,100 for liquidated damages.
20. Pay Application No. 2 for Sanitary Sewer Phase 48 Rehabilitation
Approved
- 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 O.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Branch the Board voted unanimously to approve Pay Application No. 2 for PM Construction & Rehab, L.P. for \$232,263.72.
21. Award Construction Contract for Robert T. Savely Water Reclamation Facility Digester Blower Replacements
Approved
- Mr. Rosenbaum presented the bids received for Robert T. Savely Water Reclamation Facility Digester Blower Replacements 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 Savely the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the Engineer's recommendation, JTR Construction, Inc. with a bid of \$257,749.00 and 210 calendar days.
22. 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 Q.)
23. 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 R.)
- 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 \$719,687.45.
24. Attorney's Report
- Mr. Schweinle reported he is working with the staff on the Village Grove reimbursement issue and the Fidelis Tract development at Clear Lake City Blvd. and El Dorado.
25. Investment Summary
Approved
- The Investment Summary ending March 31, 2012 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 Savely and seconded by Director Branch the Board voted unanimously to approve the Investment Summary ending March 31, 2012.

26. General Manager's Report

Mr. Byrd reported on several projects throughout the district that have recently been completed including the outstanding job done on the loop line off Space Center and a water line repair behind Clear Lake High School has been finished. The El Camino Real expansion project will require another water line to be moved at Medical Center intersection.

Mr. Byrd requested two new Texpool accounts to be opened for incoming bond issue money and to be ratified at the next regular Board meeting.

Thereupon, by motion duly made by Director Branch and seconded by Director Vince Johnson the Board voted unanimously to approve the staff to open 2 new Texpool accounts for bond issue money.

Mr. Byrd updated the Board on the Golf Course/Bundy ditch improvements. The swale dirt work is almost complete. The first quote for concrete work came in high from BigBoy Concrete, so a second quote was solicited and accepted from Spurlock Concrete.

27. Old and New Business

Mr. Bill Rosenbaum addressed Director Savely's request on a rough estimate of a retaining wall being built around the Robert T. Savely Water Reclamation Facility which would cost about \$20/sq. ft.

President Yoder said she received a letter from a customer, Mr. Leo Symnank, who was upset over a very high bill that occurred only during one billing cycle. Ms. Shirley Kelly addressed the concern. Mr. Symnank's bills average \$37-\$90 but one bill was \$523 and he was out-of-town for part of the month. The meter was re-read 3 times. Our field customer service met with the customer to show him how to read his meter. The customer has not found any leaks. President Yoder will call Mr. Symnank and suggest he call the Water Authority to shut his water off at the meter (and hot water heater) to prevent possible future unknown leaks or theft.

28. Meeting Adjourned

President Yoder declared the meeting adjourned at 8:40 p.m.

[Redacted signature]

Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

[Redacted signature]

President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)