



CLEAR LAKE CITY WATER AUTHORITY

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

May 6, 2019


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 May 9, 2019 for the following purposes:

1. Approve or correct minutes of the April 11, 2019 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Consider and act upon water, sewer and drainage service to Middlebrook Apartments at 15500 Middlebrook Dr.;
4. Consider and act upon authorizing advertising for the Water Plant replacement facility at 17507 El Camino Real;
5. Consider and act upon reviewing bids and award sale of \$24,500,000 Series 2019 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds (the "Bonds");
 - A. Approve and authorize execution of the following in connection with the issuance of the Bonds:
 - B. Order Authorizing Issuance of the Bonds;
 - C. Resolution Approving Official Statement;
 - D. General Certificate;
 - E. Signature Identification and No-Litigation Certificate;
 - F. Tax Exemption Certificate;
 - G. Closing Certificate of President;
 - H. Bond Registrar, Paying Agency and Transfer Agency Agreement;
 - 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. IRS Form 8038-G; and
 - L. Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas.
6. Consider and act upon approval of new bank accounts at TexPool and Wells Fargo for \$24,500,000 Series 2019 Bonds;

7. Consider approving Order Adding Land and Redefining Boundaries for approximately 6.23-acre tract (Sandalwood Forest)
8. Receive Tax Assessor/Collector Report ending April 30, 2019;
9. Consider and act upon Financial Report ending March 31, 2019;
10. Consider and act upon the Operating Disbursement's Report ending April 30, 2019;
11. Review and approve Pay Application No. 5 for Elevated Storage Tank No. 6;
12. Review and approve Pay Application No. 3 for Sanitary Sewer Phase 72 Rehabilitation;
13. Review and approve Pay Application No. 2 for Sanitary Sewer Phase 78 Television Inspections;
14. Authorize the advertising for construction bids for Sanitary Sewer Phase 80 Rehabilitation;
15. Review and approve Pay Application No. 8 for Exploration Green Detention Facility Phase 2;
16. Review and approve Pay Application No. 3 for the Re-Claimed Water Line Extension to El Dorado Boulevard;
17. Review and approve Pay Application No. 1 for Storm Sewer Phase 36 Rehabilitation;
18. Review and act if necessary upon the Engineer's Report and any matters pertaining to construction contracts;
19. Consider and act upon approval of the Capital Projects Disbursements;
20. Receive and act if necessary upon Attorney's Report;
21. Consider and act upon the Investment Summary ending March 31, 2018;
22. Receive General Manager's Report;
23. Old and New Business;
24. Receive legislative update from attorney.

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
May 9, 2019

- 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 7:02 p.m. on May 9, 2019. 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. Samuel Johnson, Attorney;
 Mr. Bill Rosenbaum, Engineer;
 Mr. Juliane Kugle, SK Law;
 Mr. David Wood, Financial Advisor, R.W. Baird;
 Ms. Mary Ann Schatz, Capital Projects Bookkeeper;
 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 the 4/11/19 Reading of the minutes of the April 11, 2019 Regular Meeting was waived due to all
Regular Meeting Directors having received copies prior to the meeting.
Approved Thereupon, by motion duly made by Director Graf and seconded by Director Johnson,
 the Board voted unanimously to approve the minutes of the April 11, 2019 Regular
 Meeting.
2. Comments from the Mr. Fred Swerdlin, a resident, asked about plans for Ditch J and K and gave an update
Floor for Harris County Flood Control District. Bill Rosenbaum discussed the Drainage Impact
 Analysis and the Atlas 14 release date.
- Mr. Fred Swerdlin discussed the Pasadena 126 Detention Facility. Mr. Swerdlin wrote a
 letter to Pasadena with suggestions on using land for flood control and using the median
 on Red Bluff Rd. as detention.
3. Water, Sewer and A request for water, sewer and drainage service to Middlebrook Apartments at 15500
Drainage Service to Middlebrook Dr. was presented to the Board for review and approval. (A copy of which
Middlebrook Apartments is on file in the official records of the Authority and identified as Exhibit **B**.)
at 15500 Middlebrook
Dr.
Approved Thereupon, by motion duly made by Director Graf and seconded by Director Johnson,
 the Board voted unanimously to approve water, sewer and drainage service to
 Middlebrook Apartments.
4. Authorization for A request for approval to authorize the solicitation of construction bids for the Water
Advertising for the Plant Replacement Facility at 17507 El Camino Real.

Water Plant
Replacement Facility at
17507 El Camino Real
Approved

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve advertising for construction bids for the Water Plant Replacement Facility.

5. Review Bids and Award Sale of \$24,500,000 Series 2019 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds and Approve and Authorize Execution of the Listed Items
Approved

David Wood with R.W. Baird & Co. gave a summary of the bid results for the sale of \$24,500,000 Series 2019 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds (A copy of which is on file in the official records of the Authority and identified as Exhibit C.) The Board was presented with the following items for review and approval and authorize execution of the following in connection with the issuance of the Bonds;

- A. Approve and authorize execution of the following in connection with the issuance of the Bonds;
- B. Order Authorizing Issuance of the Bonds;
- C. Resolution Approving Official Statement;
- D. General Certificate;
- E. Signature Identification and No-Litigation Certificate;
- F. Tax Exemption Certificate;
- G. Closing Certificate of President;
- H. Bond Registrar, Paying Agency and Transfer Agency Agreement;
- 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. IRS Form 8038-G; and
- L. Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas.

Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to accept the bid from SAMCO Capital Markets at 2.866% and approve all documents listed.

6. Authorization for New Bank Account at Wells Fargo and TexPool for the \$24,500,000 Series 2019 Bonds
Approved

A request was presented to the Board to open new Wells Fargo and TexPool bank accounts for the \$24,500,000 Series 2019 Bonds.

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve new bank accounts for Wells Fargo and TexPool.

7. Order Adding Land and Redefining Boundaries for Approximately 6.23 Acre Tract (Sandalwood Forest)
Approved

The Board was presented with an Order Adding Land and Redefining Boundaries for approximately 6.23 acre tract (Sandalwood Forest) located in Taylor Lake Village. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.) A discussion was held regarding the proposed development and the drainage and detention impact of the surrounding area.

Resident Debbie Smith, who lives next to the property, voiced her concerns regarding current water runoff into her yard. She is concerned that building on the vacant land will have a negative effect on the flooding to her home and street flooding on Kirby Blvd.

Mr. Bill Rosenbaum discussed a study of the 6.23 acres and topography of the land and what effects the proposed development would have on the surrounding area.

There was a suggestion regarding raw land on the corner of Red Bluff Rd. and Kirby Blvd. that could be purchased and used as detention to help with flooding. The Board asked LAN to find out who owns the land, if the land would be suitable to use as detention, and how it may be acquired from the owner(s).

Resident Scott Smith, who also lived along the 6.23 acres, is also concerned about his property flooding if the land is developed. Currently the land drains in various directions

including onto nearby residents' properties. To comply with Authority rules, development of this property would require the grading to change, all run-off to be contained within the development and the use of an on-site detention pond.

Resident Peter Lauzon asked about the development of the land and how the maintenance of the detention ponds is enforced.

Thereupon, by motion duly made by Director Morrow and seconded by Director Savely, the Board voted unanimously to approve the Order Adding Land and Redefining Boundaries.

- 8. Tax Collector's Report

The Tax Collector's Report ending April 30, 2019 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.**)

- 9. Financial Report Ending 3/31/19
Approved

The Financial Report ending March 31, 2019 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 **F.**)

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve the Financial Report ending March 31, 2019.

- 10. Operating Disbursements Report Ending 4/30/19
Approved

The Operating Disbursements Report for the period ending April 30, 2019 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 **G.**)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the Operating Disbursements Report for the period ending April 30, 2019.

- 11. Pay Application No. 5 for Elevated Storage Tank No. 6
Approved

Pay Application No. 5 for Elevated Storage Tank No. 6 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 Morrow and seconded by Director Johnson, the Board voted unanimously to approve Pay Application No. 5 for Elevated Storage Tank No. 6 to Landmark Structures I, L.P., for \$127,243.80.

- 12. Pay Application No. 3 for Sanitary Sewer Phase 72 Rehabilitation
Approved

Pay Application No. 3 for the Sanitary Sewer Phase 72 Rehabilitation 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 **I.**)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve Pay Application No. 3 for Sanitary Sewer Phase 72 Rehabilitation to the Clear Lake City Water Authority for \$162,063.90.

- 13. Pay Application No. 2 for Sanitary Sewer Phase 78 Television Inspections
Approved

Pay Application No. 2 for Sanitary Sewer Phase 78 Television Inspections 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 **J.**)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve Pay Application No. 2 for Sanitary Sewer Phase 78 Television Inspections to the Clear Lake City Water Authority for \$42,193.21.

- 14. Authorize Advertising for Construction Bids for Sanitary Sewer Phase

A request for approval to authorize the solicitation of construction bids for Sanitary Sewer Phase 80 Rehabilitation was presented to the Board for review.

- 80 Rehabilitation
Approved
- Thereupon, by motion duly made by Director Morrow and seconded by Director Johnson, the Board voted unanimously to approve advertising for construction bids for Sanitary Sewer Phase 80 Rehabilitation.
15. Pay Application No. 8
for Exploration Green
Detention Facility Phase
2
Approved
- Pay Application No. 8 for Exploration Green Detention Facility Phase 2 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 K.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 8 for Exploration Green Detention Facility Phase 2 to Triple B Services, LLP for \$829,074.14.
16. Pay Application No. 3
for the Re-Claimed
Water Line Extension to
El Dorado Blvd.
Approved
- Pay Application No. 3 for the Re-Claimed Water Line Extension to El Dorado Blvd. 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 Johnson and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 3 for the Re-Claimed Water Line Extension to El Dorado Blvd. to RAC Industries, LLC. for \$208,800.00.
17. Pay Application No. 1
for Storm Sewer Phase
36 Rehabilitation
Approved
- Pay Application No.1 for Storm Sewer Phase 36 Rehabilitation 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 M.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Savely, the Board voted unanimously to approve Pay Application No. 1 for Storm Sewer Phase 36 Rehabilitation to AR Turnkey Construction Company, Inc. for \$262,899.00.
18. Engineers Report
- A written status of projects was presented 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 N.)
- There was a brief discussion regarding work in Meadowgreen. Exploration Green Phase 2 and 3A must be complete before work in Meadowgreen can begin.
19. 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 O.)
- 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 \$1,811,657.66.
20. Attorney's Report
- Mr. Samuel Johnson discussed a meeting with the City of Houston regarding the Southeast Transmission Line. The cost estimate for a meter at the initial point of connection of this line is over \$2 Million. The Board asked if that was an accurate estimate and if a larger site is needed. The Board suggested that several items need to be looked at before they will approve and sign.
21. Investment Summary
Approved
- The Investment Summary for the period ending March 31, 2019 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 P.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Savely, the Board voted unanimously to approve the Investment Summary for the period ending March 31, 2019.

22. General Manager's Report

Ms. Morrow received a phone call from resident Stan Cook on Reseda. He said his flood insurance bill has increased and wanted to know how he could fight the new amount. FEMA has a website with a link to fight it. Mr. Cook would like a letter from the Authority to inform them of the progress with Exploration Green and how it has helped with flooding in the area.

Ms. Morrow reported that two homeowners in Exploration Green Phase 3A have cut down trees and left them laying on the property. A letter will be written to each homeowner telling them to remove the cut down trees from the Exploration Green property.

Ms. Morrow informed the Board there is an alligator in Exploration Green Phase 4 that has not been able to be caught to remove to a safe area. They will continue to look for the alligator for removal.

Ms. Morrow discussed the Islamic Center wanting to add additional parking behind their existing building that will have an imperviable barrier. They need to submit plans for review and approval.

Ms. Morrow informed the Board she will not be available to attend the next Board meeting on June 13, 2019. Mr. Bill Rosenbaum and Mr. Samuel Johnson also will not be available. The Board agreed to move the regular meeting to June 20, 2019.

23. Old and New Business

Director Graf discussed a meeting with Nassau Bay where they discussed drainage improvements.

24. Receive Legislative Update from Attorney

Mr. Samuel Johnson requested Executive Session to provide an attorney client privilege consultation.

25. Meeting Adjourned

President Branch declared a recess of the open meeting at 8:45 p.m.

After a brief recess, an Executive Session was held from 8:56 p.m. to 9:32 p.m. to consult with the Attorney regarding legal matters.

After Executive Session the open meeting was reconvened at 9:32 p.m.

President Branch declared the open meeting adjourned at 9:32 p.m.

[Redacted signature]

President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

[Redacted signature]

Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)



DATE APPROVED: 6-20-19