



## CLEAR LAKE CITY WATER AUTHORITY

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

July 10, 2023

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 at 7:00 p.m. on July 13, 2023, in Regular Session open to the public at 900 Bay Area Boulevard within such Authority, such location being the location where a quorum of the Board will be physically present, and by:

**Video conference call at: <https://meet.goto.com/285496861>**

**Phone conference call at: +1 (408) 650-3123 Access Code:285-496-861**

Video conference attendance is authorized by Section 551.127, Texas Government Code. At the meeting the following items will be considered and acted on:

1. Ratification of approval to obtain a 3,200 sq ft easement space located in HCFCD's ditch D at a cost of \$19,200.00, for a 30-in waterline utilized by WP#3 at Mill Forest Rd;
2. Approve or correct minutes of the June 8, 2023, Regular Board Meeting;
3. Approve or correct minutes of the June 22, 2023, Special Board Meeting;
4. Comments from the floor (5-minute limitation);
5. Consider and act upon annexation request from Jared Jakovich for future development near Middlebrook Drive and Clear Lake City Blvd;
6. Receive and act if needed upon Mr. Larry Dunbar's hydrology study on the impact of having detention at Clear Lake City Blvd. between Highway 3 and Interstate 45, for flood mitigation to the nearby subdivisions in CLCWA;
7. Consider and act upon reviewing bids and award sale of \$27,000,000 Clear Lake City Water Authority Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2023 (the "Bonds");
8. Approve and authorize execution of the following in connection with the issuance of the Bonds:
  - A. Order Authorizing Issuance of the Bonds;
  - B. Order Adopting 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. 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;
- I. Rule 15c2-12 Certificate;
- J. IRS Form 8038-G; and
- K. Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas;

- 9. Consider and act upon adopting policy DEV-75;
- 10. Consider and act upon amending policy R&S-65 Revision 3:
- 11. Consider and act upon Site Lease Agreement with DISH Wireless L.L.C for usage of Elevated Storage Tanks #1 at 939 El Dorado Blvd for cell antenna equipment;
- 12. Consider and act upon water, sewer, and drainage service to Swig Restaurant at 2413 Bay Area Blvd;
- 13. Consider and act upon water, sewer, and drainage service to Versa Office Building at 4454 Genoa Red Bluff Rd;
- 14. Consider and act upon water, sewer, and drainage service to Sunstate Equipment Company at 4462 Genoa Red Bluff Rd;
- 15. Receive Tax Collector Report ending June 30, 2023;
- 16. Consider and act upon Financial Report ending May 31, 2023;
- 17. Consider and act upon Capital Projects Report May 31, 2023;
- 18. Consider and act upon the Operating Disbursement's Report ending June 30, 2023;
- 19. Review and approve Project Status Report 9 for Sanitary Sewer Phase 91 Television Inspection;
- 20. Review and approve Pay Application 1 for Sanitary Sewer Phase 92 Manhole Rehabilitation;
- 21. Review and approve Pay Application 2 for Sanitary Sewer Phase 93 Rehabilitation;
- 22. Review and approve Pay Application 2 for Sanitary Sewer Phase 95 Rehabilitation;
- 23. Review and approve Pay Application 1 & Final for Larkspur Sanitary Sewer Extension;
- 24. Review and approve Pay Application 2 & Final for WWTP Chlorine Contact Tank Motor Actuated Gate Addition;

25. Review and approve Pay Application 14 for Exploration Green Detention Pond Phase 5;
26. Review and approve Pay Application 2 for Exploration Green Detention Pond Phase 5 Federally Funded Pond Amenity Segment;
27. Review and act, if necessary, upon the Engineer's Report and any matters pertaining to construction contracts;
28. Consider and act upon approval of the Capital Projects Disbursements;
29. Receive and act, if necessary, upon Attorney's Report;
30. Consider and act upon the Investment Summary ending May 31, 2023;
31. Receive General Manager's Report;
32. Old and New Business;
33. Consider and act upon adjourning the meeting.

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 July 13, 2023

### Regular Meeting

The Board of Directors ("Board") of the Clear Lake City Water Authority ("CLCWA") convened in Regular Session open to the public at 7:00 p.m. (CDT), on Thursday, July 13, 2023, at 900 Bay Area Blvd., such location being the location where a quorum of the Board was physically present and by video conference call at:

Video conference call at: <https://global.gotomeeting.com/join/285496861>  
Phone conference call at +1(408)650-3123 Access Code: 285-496-861

Video Conference attendance was authorized by Section 551.127, Texas Government Code.

### Roll Call

Roll was called of the members:

Mr. John Branch, President;  
Mr. Robert T. Savely, Vice-President;  
Mr. W. Thomas Morrow, Secretary;  
Ms. Anthea Guest, Director (by video conference);  
Mr. John Graf, Director

Also present were:

Ms. Jennifer Morrow, General Manager;  
Mr. Curtis Rodgers, Director of Utilities (by video conference);  
Mr. Samuel Johnson, Attorney, Coats Rose, (by video conference);  
Mr. Eddie Streich, Engineer, LAN (by video conference);  
Mr. Dean McGee, Director of Finance, (by video conference);  
Ms. Diana Espinoza, Staff Accountant, (by video conference);  
Mr. Stephen Eustis, Financial Advisor, RW Baird

Ms. Julianne Kugle, SK Law, (by video conference);  
Ms. Darsey Norton, SK Law, (by video conference);  
Ms. Heather Frank, Recording Secretary.

(A visitor roster copy is on file in the official records of the Authority and identified as Exhibit A.)

1. Ratification of approval to obtain a 3,200 sq ft easement space located in HCFCD's ditch D at a cost of \$19,200.00, for a 30-in waterline utilized by WP#3 at Mill Forest Rd  
Approved

Mrs. Morrow provided a review of the need for a 3,200 sq ft easement space located in HCFCD's ditch D at a cost of \$19,200.00, for a 30-in waterline utilized by WP#3 at Mill Forest Rd for the new SETL project, discussed at the June 8, 2023, Regular Board Meeting.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the ratification of the approval to obtain a 3,200 sq ft easement space located in HCFCD's ditch D at a cost of \$19,200.00, for a 30-in waterline utilized by WP#3 at Mill Forest Rd.

2. Minutes of the June 8, 2023, Regular Meeting Approved

Reading of the minutes of the June 8, 2023, Regular Board Meeting was waived due to all Directors having received copies prior to the meeting.

Thereupon, by motion duly made by Director Morrow and seconded by Director Savely, the Board voted unanimously to approve the minutes of the June 8, 2023, Regular Meeting.
3. Minutes of the June 22, 2023, Special Meeting Approved

Reading of the minutes of the June 22, 2023, Special Board 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 Morrow, the Board voted unanimously to approve the minutes of the June 22, 2023, Special Meeting.
4. Comments from the Floor

Mrs. Carol Michalik and Mr. Philip Michalik, residents of the Brook Forest Community, attended the board meeting to inquire regarding the sewer line rehabilitation project along Running Springs and Brook Forest Drive and what effect it will have on the resident's property and landscaping. CLCWA staff will contact Mr. and Mrs. Michalik directly to discuss concerns and provide appropriate information.

Mr. Jesus Suarez and Mrs. Susan Lindamood, residents of the Bay Oaks Community, attended the board meeting to consider and discuss Agenda Item 6 Mr. Larry Dunbar's hydrology study on the impact of having detention at Clear Lake City Blvd. between Highway 3 and Interstate 45, for flood mitigation to the nearby subdivisions in CLCWA.
5. Consider and act upon annexation request from Jared Jakovich for future development near Middlebrook Drive and Clear Lake City Blvd

Mrs. Morrow provided an overview of the request by Jared Jakovich for the possible annexation of property near Middlebrook Drive and Clear Lake City Blvd. It was discussed that after the engineer's review and analysis, it was determined that the current infrastructure does not have sufficient capacity to accommodate the additional connections associated with the property. Extensive planning concerning infrastructure, costs, and service needs center around ensuring that the CLCWA can properly maintain and accommodate growth within its current boundaries.
6. Receive and act if needed upon Mr. Larry Dunbar's hydrology study on the impact of having detention at Clear Lake City Blvd. between Highway 3 and Interstate 45, for flood mitigation to the nearby subdivisions in CLCWA  
Deferred

Mr. Larry Dunbar was not available at the time of this agenda item. The Board briefly discussed concerns regarding the draft report including the need for additional detail and clear descriptions to ensure the report could be easily understood for general distribution. Further discussion was postponed until Mr. Dunbar was available.

Discussion proceeded after Agenda item 15. The Board was informed that Mr. Larry Dunbar would not be available, and arrangements would need to be made to reschedule a report on the study. Apologies were given to residents waiting for the report and a brief update was provided. The County Commissioner, Harris County Flood Control District, and the Houston Airport System (HAS) have been provided with the draft report. The Authority was informed that the study will be considered and reviewed against in-house engineering models and calculations to determine any impact downstream or on current plans. The main area of concern for the HAS is approval from the FAA as the location is adjacent to a runway and a detention pond could attract birds resulting in damage to or the loss of

planes. The residents were informed that any detention project resulting from the provided study would be a standalone project separate from the CI-023 Channel Conveyance Along Horsepen Bayou project. The area indicated lies at HWY 3 and IH 45 close to the corner of Clear Lake City Blvd. It was suggested that if a detention project was approved the HAS could use impact fees charged to entities developing in the area to offset costs. The residents inquired if the draft report was available for public viewing. As the report is only in draft form concerns were again raised over the clarity of information provided vs requirements for record availability. Regulations will be reviewed, and a special meeting will be arranged when Mr. Dunbar is available to facilitate the expedited completion of a final report.

7. Consider and act upon reviewing bids and award sale of \$27,000,000 Clear Lake City Water Authority Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2023 (the "Bonds") Awarded

Mr. Eustis provided an overview of the bids. 5 bids were received, each accepting indicated terms with the NICs ranging from 4.073481% to 4.241874%. The winning bidder was Bank of America (BoFA) at 4.073481%. Terms included a closing date of August 15, 2023, Paying Agent contracted to The Bank of New York Mellon Trust, a Bond Discount of 3.00%, and a Call Date of March 1, 2030. Considerations addressed included (i) the NIC being the highest overall previous bond issues but determined fair to the market's history and current interest rate environment. (ii) the limited duration of time that BoFA has returned to the Texas market. (iii) BoFA's standing letter currently being under review by the Attorney General. Regulations require the acceptance of the lowest bidder or the rejection of all bids when all bids are in compliance. The CLCWA is protected from financial loss if the accepted bid falls through, not by fault of CLCWA, by the forfeiture of the Good Faith deposit check by the accepted bidder in the amount of 2% of the value of the bond. This amount will cover the cost of initiating another bond sale. Finally, the Board confirmed that the provided interest rate is within the bond sale's initial planning calculations to facilitate the Authority in moving through the CIP while sustaining the current Ad Valorem Tax Rate.

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to award the bid to Bank of America Securities, the lowest bidder. (A copy of which is on file in the official records of the Authority and identified as Exhibit B.)

8. Approve and authorize execution of the bond documents in connection with the issuance of the Bonds Approved

Mrs. Julianne Kugle explained that the documents consist of the Order Authorizing Issuance of the Bonds; Order Adopting 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; 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; Rule 15c2-12 Certificate; IRS Form 8038-G; and any such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas. Additional communication and documentation may be required by the Attorney General in connection with the standing of Bank of America Securities.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the execution of the bond documents in connection with the issuance of the Bond.



9. Consider and act upon adopting policy DEV-75  
Approved

Mrs. Morrow provided an overview of the need to adopt Policy DEV-75. (A copy of which is on file in the official records of the Authority and identified as Exhibit C.)

It was noted that the previous annexation policy only addressed the cost of fees in connection with consultant reviews of proposed annexations and did not provide adequate verbiage to cover the procedures and terms for annexation by the Authority. The regulation regarding consultant fees will continue to be stipulated in DEV-70 for all requests for services requiring consultant services. Details pertaining directly to annexations will be addressed in this new policy DEV-75. Concerns regarding Article 2 Item 5 stipulating a specific elevation requirement for any annexation to be considered were discussed including flooding concerns, infrastructure capabilities, and changes in city, county, or federal regulations. It was recommended to remove the specification and consider all requests on a case-by-case basis.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the adoption of Policy DEV-75 with the modification of deleting Article 2 Item 5, discussing elevation of land 3 ft or less above sea level, and updating item numbering accordingly.

10. Consider and act upon amending policy R&S-65  
Revision 3  
Deferred

Mrs. Morrow provided an overview of the need to amend policy R&S-65. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.) The requested changes include removing terms associated with a discount for water services to Community Associations and Cities Swimming Pools and Sprinkler Meters meeting certain criteria, which have not been requested or implemented on any existing accounts. The CLCWA does not have the personnel to monitor compliance with required terms or to maintain inspections of private service lines. The term of waiving any sewer charges would be maintained. It was inquired as to how the Authority would address the periodic usage of the sewer system when pools are emptied or have onsite toilets. This agenda item will be deferred while the policy terms are reviewed to ensure proper procedures are indicated and followed.

11. Consider and act upon Site Lease Agreement with DISH Wireless L.L.C for usage of Elevated Storage Tanks #1 at 939 El Dorado Blvd for cell antenna equipment  
Approved

Mr. Johnson provided an overview of the contract terms for an additional lease of space, on Water Tower #1 located at 939 El Dorado Blvd requested by Dish Wireless LLC. The terms brought forth are the same as the previously accepted lease including rental cost with a 4% increase annually, CLCWA having the right to review and approve any equipment installations, if access is needed after standard business hours Dish Wireless LLC will be responsible for resulting man hour costs, and Dish Wireless personnel will be responsible for the relocation of equipment for any maintenance or emergency purposes. It was noted that Dish Wireless will not require additional land usage and will utilize the existing footprint of a previously contracted carrier.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the Site Lease Agreement with DISH Wireless L.L.C for the usage of Elevated Storage Tanks #1 at 939 El Dorado Blvd for cell antenna equipment. (A copy of which is on file in the official records of the Authority and identified as Exhibit E.)

12. Consider and act upon water, sewer, and drainage service to Swig Restaurant at 2413 Bay Area Blvd  
Approved

Mrs. Morrow presented to the Board that a water, sewer, and drainage service request from Swig Restaurant located at 2413 Bay Area Blvd has been received and that the required staff and consultant reviews have been acceptably completed. Provided documentation is included in the packet (A copy of which is on file in the official records of the Authority and identified as Exhibit F.)

It was noted that no impact fees apply to this property as it is not located in an area approved to require development to pay impact fees. It was inquired as to how the Authority would address the required infrastructure needs if the construction of a high-usage structure was received. If the requested capacity exceeded the area's allotted amount of ESFCs then the matter would be addressed in the capacity review and an agreement to upsize utilities would need to be considered with the entity requesting the high-usage capacity. Mr. Johnson explained that Local Government Code 395 stipulates that the impact fees can only apply to certain designated areas that now require additional infrastructure to facilitate services. These areas must be designated, reviewed, infrastructure planned, costs calculated and finally approved in accordance with the requirements of Local Government Code Chapter 395 prior to imposing impact fees. Impact fees are calculated to distribute 50% of the cost of the required new infrastructure to the entities directly utilizing said new infrastructure. Mr. Streich explained that usage is not based solely on the requested capacity it is calculated taking into consideration the type of business that will utilize the given property, to determine the ESFC and ensure that the CLCWA has the capacity to accommodate required usage. Factors to calculate usage requirements are provided in a table published by the City of Houston considering the type and size of the business.

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve water, sewer, and drainage service to Swig Restaurant located at 2413 Bay Area Blvd.

13. Consider and act upon water, sewer, and drainage service to Versa Office Building at 4454 Genoa Red Bluff Rd  
Approved

Mrs. Morrow presented to the Board that a water, sewer, and drainage service request from Versa Office Building located at 4454 Genoa Red Bluff Rd has been received and that the required staff and consultant reviews have been acceptably completed. Provided documentation is included in the packet (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 Morrow, the Board voted unanimously to approve water, sewer, and drainage service to Versa Office Building located at 4454 Genoa Red Bluff Rd.

14. Consider and act upon water, sewer, and drainage service to Sunstate Equipment Company at 4462 Genoa Red Bluff Rd  
Approved

Mrs. Morrow presented to the Board that a water, sewer, and drainage service request from Sunstate Equipment Company located at 4462 Genoa Red Bluff Rd has been received and that the required staff and consultant reviews have been acceptably completed. Provided documentation is included in the packet (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 Graf, the Board voted unanimously to approve water, sewer, and



drainage service to Sunstate Equipment Company located at 4462 Genoa Red Bluff Rd.

15. Tax Collector's Report Ending 06/30/2023

The Tax Collector's Report ending June 30, 2023, 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 I.) It was noted that no refunds will be processed this month. 99.02% of property taxes have been collected as of June 30, 2023.
16. Financial Report Ending 05/31/2023 Approved

The Financial Report ending May 31, 2023, 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.) It was noted that the Capital Outlay line item consists of construction projects not related to a bond, mainly trails at Exploration Green which will be partially reimbursed by grants. WCID 161 maintenance tax revenue was higher than estimated due to higher property values.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve the Financial Report ending May 31, 2023.
17. Capital Projects Report Ending 05/31/2023 Approved

The Capital Projects Report ending May 31, 2023, 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 K.) It was noted that most of the large money movement consisted of transfers from holding or reserve accounts to operating accounts to cover current balances owed. Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve the Capital Projects Report for the period ending May 31, 2023.
18. Operating Disbursements Report Ending 06/30/2023 Approved

The Operating Disbursements Report ending June 30, 2023, 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 L.)

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 June 30, 2023.
19. Review and approve Project Status Report 9 for Sanitary Sewer Phase 91 Television Inspection Approved

Project Status Report 9 for Sanitary Sewer Phase 91 Television Inspection 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.) It was noted that the next status report should be the final one and close out the project, the assigned engineer is currently reviewing the last of the videos.

Thereupon, by motion duly made by Director Savely and seconded by Director Graf, the Board voted unanimously to approve Project Status Report 9 for Sanitary Sewer Phase 91 Television Inspection for \$17,713.15.
20. Pay Application 1 for Sanitary Sewer

Pay Application 1 for Sanitary Sewer Phase 92 Manhole Rehabilitation was presented to the Board for review and approval. (A copy of which is on file

Phase 92 Manhole  
Rehabilitation  
Approved

in the official records of the Authority and identified as Exhibit N.) It was noted that the remaining work consists of the installation of two to three manholes and is on track to be completed on time.

Thereupon, by motion duly made by Director Graf and seconded by Director Savely, the Board voted unanimously to approve Pay Application 1 for Sanitary Sewer Phase 92 Manhole Rehabilitation to CDC Unlimited, LLC for \$56,047.50.

21. Pay Application 2  
for Sanitary Sewer  
Phase 93  
Rehabilitation  
Approved

Pay Application 2 for Sanitary Sewer Phase 93 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 O.) It was noted that fieldwork is 41% complete, the project status update is pending a review of videos by the assigned engineer. Work is behind schedule but estimated to be completed by the contracted substantial completion date.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve Pay Application 2 for Sanitary Sewer Phase 93 Rehabilitation to Texas Pride Utilities, LLC for \$76,888.80.

22. Pay Application 2  
for Sanitary Sewer  
Phase 95  
Rehabilitation  
Approved

Pay Application 2 for Sanitary Sewer Phase 95 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 P.)

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve Pay Application 2 for Sanitary Sewer Phase 95 Rehabilitation to Insituform Technologies, LLC for \$147,234.60.

23. Pay Application 1  
& Final for  
Larkspur Sanitary  
Sewer Extension  
Approved

Pay Application 1 & Final for Larkspur Sanitary Sewer Extension 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 Q.) It was noted that an inspection will be performed in 10 months, prior to the close of the 1-year warranty period.

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve Pay Application 1 & Final for Larkspur Sanitary Sewer Extension to CDC Unlimited, LLC for \$74,340.00.

24. Pay Application 2  
& Final for WWTP  
Chlorine Contact  
Tank Motor  
Actuated Gate  
Addition Approved

Pay Application 2 & Final for WWTP Chlorine Contact Tank Motor Actuated Gate Addition 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 R.) It was noted that an inspection will be performed in 10 months, prior to the close of the 1-year warranty period.

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve Pay Application 2 & Final for WWTP Chlorine Contact Tank Motor Actuated Gate Addition to Gilleland Smith Construction for \$5,950.00.

25. Pay Application  
No. 14 for

Pay Application No. 14 for the Exploration Green Detention Facility Phase 5 was presented to the Board for review and approval. (A copy of which is

Exploration Green  
Detention Facility  
Phase 5  
Approved

on file in the official records of the Authority and identified as Exhibit S.) It was noted that the remaining work consists of a couple of items on the storm sewer pipe, working with Galveston Bay Foundation for turf establishment, and the amenities portion consisting of the parking lot.

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf, the Board voted unanimously to approve Pay Application No. 14 for the Exploration Green Detention Facility Phase 5 to Serco Construction Group, LTD. for \$749,360.83. This pay application includes a reduction in liquidated damage assessed at \$28,800.00 for 36 days.

26. Pay Application  
No. 2 for  
Exploration Green  
Detention Facility  
Phase 5 Federally  
Funded Pond  
Amenity Segment  
Approved

Pay Application No. 2 for the Exploration Green Detention Facility Phase 5 Federally Funded Pond Amenity Segment 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 T.) It was noted that concrete is scheduled to be poured next week.

Thereupon, by motion duly made by Director Graf and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 2 for the Exploration Green Detention Facility Phase 5 Federally Funded Pond Amenity Segment to Serco Construction Group, LTD. for \$345,338.86.

27. Engineers Report

The programming of the MCC control panel for Water Well #2 is almost complete and should be installed next week.

A walkthrough inspection of the turf establishment at Exploration Green Phase 3B is in the process of being coordinated with the Galveston Bay Foundation for next week.

The two contractors for the El Dorado Blvd Expansion project have yet to come forward with solutions to rectify the condition of the storm sewer pipe. Pending CLCWA's approval after inspection, the CLCWA will not take over ownership and maintenance of the storm sewer pipe.

The project to add a line under Mud Lake from Lift Station 4 is not part of the improvements specified in Bond Issue #42. It was on the preliminary list for the next bond issue. Due to the status of the existing line, considerations to either utilize remaining funds from Bond Issue 38, a change of use on Bond Issue 42, or other means will be finalized to accommodate moving the project forward.

An expedited timeline for current projects will be considered per project. It was noted that prices seem to have stabilized, but supply chain issues are a continued concern. The CLCWA has been consistently attempting to retain a good inventory of repair parts and replenish the inventory of pumps.

Director Savely inquired regarding a history of pipe failures to better understand areas prone to failure and research solutions to the specific issues pertaining to said areas (i.e., quicksand rivers/sandy seams in the soil). Research will proceed and solutions will be incorporated into the CLCWA's 20-year plan. It was noted that conferences referencing other services utilizing inground infrastructure or introducing new technology could provide insight into possible solutions for issues in the CLCWA area

(i.e., Pumps & Pipes, Automation Society, or Offshore Drilling Conferences).

28. 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 U.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Graf the Board voted unanimously to approve the Capital Project Report in the amount of \$1,292,966.04.

29. Attorney's Report

Mr. Johnson did not have anything to review with the Board.

30. Investment  
Summary Ending  
May 31, 2023  
Approved

The Investment Summary for the period ending May 31, 2023, 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 Investment Summary for the period ending May 31, 2023.

31. General  
Manager's  
Report

Mrs. Morrow informed the board of the following matters.

On Monday, July 17, 2023, concrete will be poured overnight at Exploration Green Phase 5, due to the temperatures during the day not allowing the concrete to cure properly.

Temperatures at the UV Channel of the treatment plant have been reaching 125 degrees causing the electronics to trip. As the equipment is rated to withstand 115 degrees, fans are being utilized to control temperatures. Further research will be done on long-term solutions including the possible use of water cooling or heat transfer pads. Applicable solutions will be implemented into the plant rebuild plans.

Budget meetings are in process.

An update regarding the status of the Long-Term Planning implementation was provided, the following were highlighted. Field tablets implementation is scheduled to be launched next week with training commencing the following week. Conversion of the new metering system has commenced. 5 out of 6 R900s have been installed. 150 new meters are on order. 400 meters are currently out-of-service and waiting on parts to perform repairs. As new meters are delivered and parts are received, the 400 out of service meters will be addressed. The new website is up and running and will be maintained in-house. All stored records have been relocated to the new water service building's 3<sup>rd</sup> floor storage space and storage facility rentals have been terminated. Digital storage of in-house documentation is in process. Policy review will be an ongoing project at a rate of 1 to 2 policies per board meeting. The HR department has implemented Employee and Team Spotlights to provide employee appreciation and recognition. The customer service work order upgrade is 95% complete. Updates to water lines are scheduled to begin after the current dry season, due to the need to have all crews available for main breaks historically determined to be a

major issue this time of year. Currently, the CLCWA is able to utilize 3 crews to work on main breaks when needed, including 2 water crews and 1 sewer crew. The TV crew can also be utilized for site restoration so the other crews can move to any additional breaks. Elevated Storage Tanks 5 & 6 have been selected to have tank mixers installed. Electrical work is complete and equipment installation is in process. The plans for the WWTP rebuild are evolving as modifications and updates are deemed warranted.

The Meadowgreen project is complete. Issues in that area have not been reported since completion. The obtainment and usage of specific mowing equipment at Exploration Green is in review, in order to facilitate a grass-cutting height of 8-12 inches to protect and strengthen the establishment of native grass and to prevent the introduction of invasive grasses from outside areas.

32. Old and New  
Business

Director Graf informed the Board that the Bureau of Reclamation has a program to reimburse entities for solar power installations. Additionally, the Texas State Energy Conservation Office has a program to provide entities with a free site, feasibility, and economic assessment on the utilization of solar panels performed by an independent engineering firm. The CLCWA will move forward and request the assessment to determine if implementation would be of benefit to the Authority and the residents we serve. The utilization of heat or water for energy will also be researched.


Director Savely inquired about the planning of the Exploration Green Ribbon Cutting and Volunteer Appreciation event. Director Guest updated the board that the current focus is on ensuring that the invite list is thorough.

Director Branch informed the Board that the Exploration Green Conservancy has tree planting scheduled for October 21, November 4, November 18, and December 9, 2023, from 9-12 pm.

33. Meeting  
Adjourned

President Branch declared the open meeting adjourned at 9:12 p.m.

  
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President, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY

  
\_\_\_\_\_  
Secretary, Board of Directors  
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)

DATE APPROVED: August 16, 2023

