



## CLEAR LAKE CITY WATER AUTHORITY

900 Bay Area Boulevard • Houston, Texas 77058 • 281/488-1164  
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August 17, 2022

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 6:00 p.m. on August 23, 2022, in Special 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/899972765>  
Phone conference call at: +1 (408) 650-3123 Access Code:899-972-765**

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. Comments from the floor (5-minute limitation);
2. Water Rate Study Workshop;
3. Consider and act upon granting funds to Exploration Green Conservancy to facilitate the start-up of the fund-raising campaign;
4. Old and New Business;
5. 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'  
Special Meeting Minutes  
August 23, 2022

### Special Meeting

The Board of Directors ("Board") of the Clear Lake City Water Authority ("CLCWA") convened in Special Session open to the public at 6:00 p.m. (CDT), on Tuesday, August 23, 2022 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/899972765>  
Phone conference call at +1(646)749-3122 Access Code: 899-972-765

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; (by video conference)  
Ms. Anthea Guest, Director;  
Mr. W. Thomas Morrow, Secretary; (by video conference)  
Mr. John Graf, Director.

Also present were:

Ms. Jennifer Morrow, General Manager;  
Mr. Curtis Rodgers, Director of Utilities;  
Mr. Samuel Johnson, Attorney, Coats Rose; (by video conference)  
Mr. Dean McGee, Director of Finance;  
Ms. Diana Espinoza, Staff Accountant; (by video conference)  
Ms. JoJo Finkeldej, Human Resources Manager;  
Ms. Marissa Salazar, Customer Service Manager;  
Ms. Heather Frank, Recording Secretary.

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

Please Note: The agenda item discussion order was adjusted. Agenda item 3 moved to 1<sup>st</sup> agenda item discussed.

1. Consider and act upon granting funds to Exploration Green Conservancy to facilitate the start-up of the fund-raising campaign

Mr. David Sharp introduced himself as the Chairman of the Exploration Green Conservancy. Mr. Sharp provided a synopsis of the process of determining the need, planning the implementation, and funding a contract for a fund-raising consultant, to address the concerns raised at the August 11, 2022, Regular Board Meeting. The proposed fundraising campaign goal is to raise \$15 million for the new amenities master plan to further enhance Exploration Green. Inquiries and research into similar capital campaigns pointed to the need for a professional consultant to

initially spearhead and organize the campaign. To ensure funding is not delayed the recommended optimum time to start the campaign is now, since corporations are working on their budgets for the upcoming year. Exploration Green is publicly recognized at this time due to recent news articles. Factors that went into the decision to proceed with Dawn Blitz were the knowledge, experience, cost, sound recommendations, and willingness to offer advice openly. Mr. Sharp explained that the Conservancy's current available funds could not facilitate the cost of the consultant at the start-up of the fund-raising campaign, but once funding is generated by the consultant services the cost moving forward would come out of said funds and CLCWA would be reimbursed for any prior funds provided.

Thereupon, by motion duly made by Director Guest and seconded by Director Savely, the Board voted unanimously to approve the First Amendment to Agreement Between Clear Lake City Water Authority and Exploration Green Conservancy. (A copy of which is on file in the official records of the Authority and identified as Exhibit B.)

2. Comments from the Floor

No comments from the floor.

3. Water Rate Study Workshop

Ms. Morrow provided a brief description of the documentation to be reviewed, which included a 2022-2023 Budget revenue overview using the current water and sewer rates, a copy of the current water and sewer rates policy breakdown, a 2022 rate comparison sheet, and graphed models of projected financial balances. (A copy of which is on file in the official records of the Authority and identified as Exhibit C.) Mr. McGee explained that the data that was input into the model included actual audit numbers from 2017-2021, projected numbers for the close of 2022, and proposed numbers for 2023. Mr. Calvin Cole of Waterworth explained each component of the graphed models and different scenarios created. Scenario 1 shows that with the current rate structure operating funds would dip below stable balance requirements by 2024 and risk would increase with each year. Concerns about the feasibility of projecting a 2% inflation rate increase moving forward from 2024 with the current unstable market were raised. Director Graf summarized key points the Board should consider, including: responsibility to have a balanced budget for 2023; protect the quality and supply of clean water, adequate sewer services, and drainage and flood protection; coverage provided for inflation increases; minimizing the size and frequency of rate increases; protect residents on fixed incomes; and the importance of communication to customers. The long-term goal of rebuilding depleted reserve funds also needs to be considered. CLCWA has held the current rate structure with no cost increases since 2013 while closely monitoring unstable market structures, rising inflation rates, and increasing expenses. Close analysis and monitoring will be performed in the coming years to keep the CLCWA rate structure strong and reasonable. The direction provided to staff is to include a rate increase proposal to close a balanced proposed budget for 2022-2023.

4. Old and New Business

There was no old or new business.

5. Meeting  
Adjourned

President Branch declared the open meeting adjourned at 07:26 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)

DATE APPROVED: September 14 2022

