



CLEAR LAKE CITY WATER AUTHORITY

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

February 7, 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 7:00 p.m. on February 10, 2022 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://global.gotomeeting.com/join/371680325>
Phone conference call at: +1(646)749-3122 Access Code: 371-680-325**

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. Approve or correct minutes of the January 13, 2022 Regular Meeting;
2. Comments from the floor (5 minute limitation);
3. Present Exploration Green Appreciation Awards to Debra Goode, Bob Goode, and Allen Brown;
4. Consider and act upon approval of the financial audit ending September 30, 2021;
5. Consider and act upon annual review of ADM-165, Investment Policy;
6. Consider and act upon Agreement with Harris County to conduct Bond and Directors Elections;
7. Discuss and act upon possible future annexation of HC WCID 156;
8. Consider and act upon authorizing feasibility study regarding out-of-district service request from Space Center Houston;
9. Consider and act upon revision of policy R & S-120, Deposits for Water and Sewer Service;
10. Receive Tax Collector Report ending January 31, 2022;
11. Consider and act upon Financial Report ending December 31, 2021;
12. Consider and act upon Capital Projects Report ending December 31, 2021;
13. Consider and act upon the Operating Disbursement's Report ending January 31, 2022;
14. Discuss Capital Improvement Plan and Rehabilitation needs;

15. Review and approve Pay Application 9 & Final for Water System Phase 12A;
16. Review and approve Pay Application 2 for Water Well No. 2 Site Improvements;
17. Review and approve Pay Application 7 & Final for Sanitary Sewer Phase 82 TV Inspections (CLCWA);
18. Review and approve Pay Application 6 & Final for Sanitary Sewer Phase 86 TV Inspections;
19. Review and approve Pay Application 4 for Sanitary Sewer Phase 87 Rehabilitation;
20. Review and approve Pay Application 5 for Sanitary Sewer Phase 89 Manhole Rehabilitation;
21. Review and approve Pay Application 3 for Exploration Green Detention Pond Phase 3B;
22. Review and act if necessary 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 if necessary upon Attorney's Report;
25. Consider and act upon the Investment Summary ending December 31, 2021;
26. Receive General Manager's Report;
27. Old and New Business;
28. 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
February 10, 2022

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, February 10, 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/371680325>
Phone conference call at +1(646)749-3122 Access Code: 371-680-325

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;

Mr. John Graf, Director was not present.

Also present were:

Ms. Jennifer Morrow, General Manager;
Mr. Curtis Rodgers, Director of Utilities;
Mr. Samuel Johnson, Attorney, Coats Rose; (by video conference)
Mr. Eddie Streich, Engineer, LAN;
Ms. Kelly Shipley, Engineer, LAN; (by video conference)
Mr. Joseph Ellis, Auditor, McCall Gibson Swedlund Barfoot PLLC (by video conference)
Ms. Mary Ann Schatz, Capital Projects Bookkeeper;
Mr. Dean McGee, Director of Finance;
Ms. Marissa Salazar, 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
1/13/2022 Regular
Meeting
Approved

Reading of the minutes of the January 13, 2022 Regular 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 Guest, the Board voted unanimously to approve the minutes of the January 13, 2022 Regular Meeting.

2. Comments from the Floor

There were no comments from the floor.

3. Present Exploration Green Appreciation Awards to Debra Goode, Bob Goode, and Allen Brown

A presentation was made by President Branch, with support of the Board, for Exploration Green Appreciation Awards was made to Debra Good, Bob Goode, and Allan Brown in appreciation of their contributions and support of Exploration Green.

4. Financial Audit for Fiscal Year Ending 9/30/2021 Approved

Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC, presented the financial audit for the fiscal year ending September 30, 2021 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 B.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the financial audit for fiscal year ending September 30, 2021.

5. Annual Review of ADM-165 Investment Policy Approved

A Resolution Evidencing Annual Review of ADM-165, Investment Policy (the "Resolution") was presented to the Board for review and approval. Mr. Samuel Johnson advised that no updates or changes needed to be made to ADM-165, Investment Policy, at this time. (A copy of which is on file in the official records of the Authority and identified as Exhibit C.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Resolution with no changes to ADM-165, Investment Policy.

6. Agreement with Harris County to conduct Bond and Directors Elections Deferred

Agreement with Harris County to conduct Bond and Directors Elections was deferred to a special meeting contingent on Harris Country's delivery of the contract.

7. Future Annexation of HC WCID #156 Deferred

This item was deferred.

8. Feasibility Study Regarding Out of District Request From Space Center Houston Approved

Mr. Samuel Johnson initiated a discussion with the Board regarding a request received from NASA Johnson Space Center (JSC) and Space Center Houston. JSC purchases wholesale water and sewer service from CLCWA, and Space Center Houston currently receives its water and sewer service through JSC. JSC and Space Center Houston have requested CLCWA serve Space Center Houston as a direct customer. Space Center Houston is located outside the boundaries of CLCWA. A feasibility study deposit of \$15,000 to cover legal and engineering reviews was recommended by Ms. Jennifer Morrow, mirroring the existing

requirements for an annexation feasibility study. Ms. Jennifer Morrow and Mr. Curtis Rodgers will work with JSC and Space Center Houston to coordinate information being reviewed by CLCWA's Legal and Engineering consultants. Once the results of the feasibility study are available, then action can be taken on how best to provide future service.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve a feasibility study for Space Center Houston.

9. Review of R & S-120, Deposit for Water and Sewer Service Policy
Approved

A review of R&S-120 deposits for water and sewer service policy was presented to the Board for review and approval. Mr. Sam Johnson informed the Board that for the policy update makes clear no deposit increase is required for transferring existing deposits on file to surviving spouses of deceased account holders. An update was also made regarding deposit interest accruals. (A copy of which is on file in the official records of the Authority and identified as Exhibit D.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve R & S-120, Deposit for Water and Sewer Service Policy.

10. Tax Collector's Report Ending 1/31/2022
Deferred

This item was deferred due to tax collections still being posted from January 31st (end of non-penalty tax collections) in early February.

11. Financial Report Ending 12/31/2021
Approved

The Financial Report ending December 31, 2021 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 E.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Financial Report ending December 31, 2021.

12. Capital Projects Report Ending 12/31/2021
Approved

The Capital Projects Report for the period ending December 31, 2021 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 F.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Capital Projects Report for the period ending December 31, 2021.

13. Operating Disbursements Report Ending 1/31/2022
Approved

The Operating Disbursements Report for the period ending January 31, 2022 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 Guest and seconded by Director Morrow, the Board voted unanimously to approve the Operating Disbursements Report for the period ending January 31, 2022.

14. Capital Improvement Plan and Rehabilitation Needs
Approved
- Mr. Streich discussed with the Board the Capital Improvement Plan and Rehabilitation needs for a future bond election (CIP). (A copy of which is on file in the official records of the Authority and identified as Exhibit H.) Director Morrow requested for a pie chart to be included in public education showing the different areas bond money is being proposed for.
- Thereupon, by motion duly made by Director Savely and seconded by Director Guest, the Board voted unanimously to approve the Capital Improvement Plan and Rehabilitation Needs to be used for the upcoming Bond Election.
15. Pay Application No. 9 & Final for Water System Phase 12A
Approved
- Pay Application No. 9 and Final for Water System Phase 12A 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 Guest, the Board voted unanimously to approve Pay Application No. 9 and Final for Water System Phase 12A to D. L. Elliott Enterprises LLC for \$193,067.00.
16. Pay Application No. 2 for Water Well No. 2 Site Improvements
Approved
- Pay Application No. 2 for Water Well No. 2 Site Improvements 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 Guest, the Board voted unanimously to approve Pay Application No. 2 for the Water Well No. 2 Site Improvements to C.F. McDonald Electric, Inc. for \$78,750.00.
17. Pay Application No. 7 & Final for Sanitary Sewer Phase 82 TV Inspections (CLCWA)
Approved
- Pay Application No. 7 and Final for Sanitary Sewer Phase 82 TV Inspections (CLCWA) 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 Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 7 and Final for the Sanitary Sewer Phase 82 TV Inspections to CLCWA for \$3,013.10.
18. Pay Application No. 6 & Final for Sanitary Sewer Phase 86 TV Inspections
Approved
- Pay Application No. 6 and Final for Sanitary Sewer Phase 86 TV 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 L.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 6 and Final for the Sanitary Sewer Phase 86 TV Inspections to Specialized Maintenance Services, Inc. for \$38,744.34.

19. Pay Application No. 4 for Sanitary Sewer Phase 87 Rehabilitation Approved
- Pay Application No. 4 for the Sanitary Sewer Phase 87 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 Guest and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 4 for the Sanitary Sewer Phase 87 Rehabilitation to CZ Construction, LLC for \$71,777.70.
20. Pay Application No. 5 for Sanitary Sewer Phase 89 Manhole Rehabilitation Approved
- Pay Application No. 5 for Sanitary Sewer Phase 89 Manhole 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 N.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 5 for the Sanitary Sewer Phase 89 Manhole Rehabilitation to CDC Unlimited, LLC for \$60,651.45.
21. Pay Application No. 3 for the Exploration Green Detention Pond Phase 3B Approved
- Pay Application No. 3 for the Exploration Green Detention Pond Phase 3B 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.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 3 for the Exploration Green Detention Pond Phase 4 to Serco Construction Group, Ltd. for \$795,728.88.
22. Engineer's Report
- Mr. Streich updated the Board on the progress of the Meadowgreen project. The final plans and permits have been approved and the job is currently being advertised. At the regular March 2022 board meeting, bids are expected to be presented for the Board's review and award. Material shortages could likely cause some delays.
- (A copy of this report is on file in the official records of the Authority and identified as Exhibit P.)
23. 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 Q.)
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Capital Project Report in the amount of \$1,415,724.39.
24. Attorney's Report
- Mr. Johnson updated the Board that Harris County's Joint Election Contract is not expected until closer to the end of the month.
25. Investment Summary Approved
- The Investment Summary for the period ending December 31, 2021 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 R.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Investment Summary for the period ending December 31, 2021.

26. General
Manager's
Report

Mr. Rodgers updated the Board on Space Port development. Three companies have requested service, Collins, Intuitive Machines, and Axium.

Ms. Morrow updated the Board on the El Dorado road construction progress. To date, about half of the water line realignments have been completed. The remaining ones are waiting on parts. The drainage installation work has started and CLCWA's Project Manager and LAN are monitoring the installation progress.

This past week a water quality taste and odor caused some customer complaints. The SEWPP had a spike in raw water organics due to some recent winter rain. The water is safe to drink and a statement was issued on our website and social media pages. The SEWPP is seeing the taste and odor quality starting to improve within the plant and expects our distribution system to clear up shortly after that.

An inquiry from a resident was received about Exploration Green drainage inlets being a safety concern for small children fitting between the two pieces of rebar. The inlets were built to Harris County's standards. However, this week CLCWA's mechanic welded four cross bars horizontally to alleviate the potential hazard.

Ms. Morrow informed the Board that the Exploration Green Phase 5 contract was awarded in January and that we had the preconstruction meeting at the end of January. Due to materials supply delays, the decision was made to postpone the start of this job until April. It was discussed with Ms. Morrow, LAN, and the contractor, Serco, that we do not want a large unfinished mud pit during the spring rainy season or hurricane season while waiting on materials. If materials come in sooner than expected then the project will start as soon as possible.

Ms. Morrow provided pictures of the new LED parking lot lights. When there is motion in the parking lot the lights stay on at 100% and after no motion is detected for 30 minutes the lights dim to 50%.

President Branch and Ms. Morrow met with Mayor Pro Tem Dave Martin and his staff about the upcoming Drainage Fee Agreement expiring. The meeting went well and was followed up with a summary, cost analysis, original agreement and the proposed draft agreement.

Ms. Morrow informed the Board that a City of Houston fire marshal came out this week for an inspection at the new water building and failed it for not having a tamper switch on the fire system. Mr. Rodgers has discussed this with the architect and contractor and will be following up on it frequently until the issue is resolved and has been reinspected.

Ms. Morrow discussed with the Board about their request to supply a porta-potty at the Exploration Green parking lot. The Board agreed to have staff pick the most advantageous quote and coordinate the long term rental for a trial with one handicap compliant unit.

27. Old and New Business

President Branch presented a summary of the three conceptual layouts from SWA for the amenity master plan in Exploration Green Phase 1. After reviewing with the Board, they all preferred layout #3 with some proposed changes. President Branch will be meeting with the Exploration Green Chairman and Galveston Bay Foundation soon to get their input as well. President Branch encouraged the Board to continue reviewing and provide feedback before the next regular board meeting.

28. Meeting Adjourned

President Branch declared the open meeting adjourned at 8:31 p.m.

President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)



DATE APPROVED: March 10, 2022