

CLEAR LAKE CITY WATER AUTHORITY

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

March 11, 2013

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 March 14, 2013 for the following purposes:

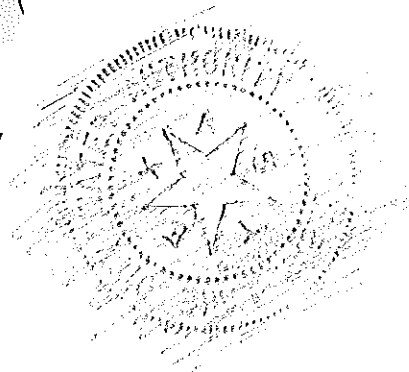
1. Approve or correct minutes of the February 7, 2013 Regular Meeting;
2. Approve or correct minutes of the February 21, 2013 Special Meeting;
3. Comments from the floor (5 minute limitation);
4. Consider and act on resolution regarding utility service request of Kaneka North America LLC;
5. Consider and act on resolutions regarding positions on HB1324, HB2987, SB619 and SB1633, along with any other pending legislation which involves or potentially affects the Authority;
6. Consider approving Order Adding Land for Sandalwood;
7. Consider and approve Order Authorizing Application for Approval by TCEQ of Project and Issuance of Bonds for Bond Issue No. 34 (TCEQ Bond Issue No. 30 \$4,380,000);
8. Consider and approve an Application for Approval by TCEQ of Project and Issuance of Bonds for Bond Issue No. 34 (TCEQ Bond Issue No. 30 \$4,380,000);
9. Receive Tax Assessor/Collector Report ending February 28, 2013;
10. Consider and act upon a request to waive a late penalty for property taxes at 1500 Bay Area Blvd, Unit 316;
11. Consider and act upon Financial Report ending December 31, 2012;
12. Consider and act upon Financial Report ending January 31, 2013;
13. Consider and act upon the Operating Disbursement's Report ending February 28, 2013;
14. Review and approve Change Order No. 2 for Water System Phase 1 Rehabilitation;
15. Review and approve Pay Application No. 3 & Final for Water System Phase 1 Rehabilitation;
16. Review bids and award construction contract for Water System Phase 3 Rehabilitation;

17. Review and approve Change Order No. 1 for Water Plant No. 4 Interior and Exterior Recoating and Site Improvements;
18. Review and approve Pay Application No.2 for Water Plans No. 4 Interior and Exterior Recoating and Site Improvements;
19. Review and approve Pay Application No. 3 & Final for Sanitary Sewer Phase 52 Rehabilitation;
20. Review and approve Pay Application No. 6 for the Sanitary Sewer Phase 53 Television Inspections;
21. Review and approve Pay Application No. 1 & Final for the Sanitary Sewer Phase 53 Manhole Rim Adjustments;
22. Review and approve Pay Application No. 1 & Final for the Sanitary Sewer Phase 54 Manhole Rehabilitation;
23. Review bids and award construction contract for Sanitary Sewer Phase 55 Rehabilitation;
24. Review and approve Pay Application No. 1 for Sanitary Sewer Phase 56 Television Inspections;
25. Review and approve Pay Application No. 4 & Final for Lift Stations No. 2, 3, 9 & 14 Rehabilitation;
26. Review and approve Pay Application No. 1 for Lift Station No. 15 Rehabilitation;
27. Review and approve Pay Application NO. 2 for the Digester Blower Replacements for the Robert T. Savely Water Reclamation Facility;
28. Review and approve Pay Application No. 1 for the Storm Sewer Phase 22 Rehabilitation;
29. Review and act upon the Engineer's Report and any matters pertaining to construction contracts;
30. Consider and act upon approval of the Capital Projects Disbursements;
31. Receive and act upon Attorney's Report;
32. Consider and act upon the Investment Summary ending January 31, 2013;
33. Receive General Managers Report;
34. 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.

< [Redacted Signature] p
James H. Byrd
General Manager
Clear Lake City Water Authority

(SEAL)



CLEAR LAKE CITY WATER AUTHORITY
Board of Directors'
Regular Meeting Minutes
March 14, 2013

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 March 14, 2013. 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;
Mr. Gordon Johnson, Director.

All were present.

Also present were:

James 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 02/07/2013
Regular Meeting
Approved
Reading of the minutes of the February 07, 2013 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 V. Johnson, the Board voted unanimously to approve the minutes for the February 07, 2013 meeting.
2. Minutes of 02/21/2013
Special Meeting
Approved
Reading of the minutes of the February 21, 2013 meeting was waived due to all Directors having received copies prior to the meeting.

Thereupon, by motion duly made by Director V. Johnson and seconded by Director G. Johnson, the Board voted unanimously to approve the minutes for the February 21, 2013 meeting.
3. Comments from the
Floor
None.
4. Pay Application No. 2
for Digester Blower
Replacements for
Robert T. Savely Water
Reclamation Facility
Approved
President Yoder moved # 27 on the agenda to item # 4.

Mr. Rosenbaum presented Pay Application No. 2 for the Digester Blower Replacements for the Robert T. Savely Water Reclamation Facility for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit B.)

Thereupon, by motion duly made by Director G. Johnson and seconded by Director Branch, the Board voted unanimously to approve Pay Application No. 2 for JTR Constructors, Inc. in the amount of \$184,602.39.

A discussion was held regarding the \$11,600.00 retained amount. Mr. Rosenbaum explained the contractor went over the original contract days by 58. The contract has a liquidation damage of \$200 per day.

Representatives from JTR Constructors, Inc. were present to explain the reason for the delay and felt the company should not be penalized.

No action was taken on the retained amount.

- 5. Resolution regarding Utility Service Request of Kaneka North America, LLC
Approved

A resolution regarding utility service request of Kaneka North America L.L.C. was presented for the Board's review and approval. (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 unanimously to approve the resolution regarding utility service request of Kaneka North America, L.L.C.

- 6. Resolutions regarding positions on HB 1324, HB 2987, SB 619, and SB1663
Approved

Resolutions regarding positions on HB 1324, HB 2987, SB 619, and SB1663 which involves or potentially affects the Water Authority was presented for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit D.)

Thereupon, by motion duly made by Director Savely and seconded by Director V. Johnson, the Board voted unanimously to approve the resolutions which involve or potentially affect the Water Authority.

President Yoder recessed the Regular Meeting at 7:33 p.m. for a short break and reconvened the Regular Meeting at 7:48 p.m.

- 7. Order Adding Land for Sandalwood Subdivision
Deferred

This item was deferred.

- 8. Order Authorizing Application for Approval by TCEQ of Project and Issuance of Bonds for Bond Issue No. 34 (TCEQ Bond Issue No. 30 \$4,380,000)
Approved

Mr. Rosenbaum presented an Order Authorizing Application for Approval by Texas Commission on Environmental Quality of Project and Issuance of \$4,380,000 in bonds of the Authority to be called Clear Lake City Water Authority Waterworks and Sewer System Unlimited Tax and Revenue Bonds, Series 2013. (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 V. Johnson, the Board voted unanimously to approve the order.

- 9. Application for Approval by TCEQ of Project and Issuance of Bonds for Bond Issue No. 34 (TCEQ Bond Issue No. 30 \$4,380,000)
Approved

Mr. Rosenbaum presented an Application for Approval by Texas Commission on Environmental Quality of Project and Issuance of Bonds for Bond Issue No. 34 (TCEQ Bond Issue No. 30 \$4,380,000). 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 V. Johnson, the Board voted unanimously to approve the application.

- 10. Tax Collector Report Received

Ms. Cumming presented a report of taxes collected and taxes outstanding as of February 28, 2013 for the Board's review. (Copy attached hereto as part of these minutes and identified as Exhibit G.)

11. Request to Waive Late Penalty for Property Taxes Denied
A request was presented to the Board to waive a late penalty for property taxes at 1500 Bay Area Blvd Unit U-316. (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 V. Johnson, the Board voted unanimously to deny the request to waive the late penalty.
12. Financial Report Approved
The Financial Report ending December 31, 2012 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit I.)
Thereupon, by motion duly made by Director Branch and seconded by Director Savely, the Board voted unanimously to approve the Financial Report ending December 31, 2012.
13. Financial Report Approved
The Financial Report ending January 31, 2013 was presented for the Board's 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 the Financial Report ending January 31, 2013.
14. Operating Disbursements Report Approved
The Operating Disbursements Report ending February 28, 2013 was presented for the Board's approval. (Copy attached hereto as part of these minutes and identified as Exhibit K.)
Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve the Operating Disbursements Report ending February 28, 2013.
15. Change Order No. 2 for Water System Phase 1 Rehabilitation Approved
Mr. Rosenbaum presented Change Order No. 2 for Water System Phase 1 Rehabilitation 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 Savely and seconded by Director Branch, the Board voted unanimously to approve Change Order No. 2 for T Construction, LLC for \$1,200.00 with no additional calendar days requested.
16. Pay Application No. 3 & Final for Water System Phase 1 Rehabilitation Approved
Mr. Rosenbaum presented Pay Application No. 3 & Final for Water System Phase 1 Rehabilitation 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 Savely and seconded by Director Branch, the Board voted unanimously to approve Pay Application No. 3 & Final for T Construction, LLC for \$11,613.30.
17. Award Construction Contract for Water System Phase 3 Rehabilitation Approved
Mr. Rosenbaum presented the bids received for Water System Phase 3 Rehabilitation 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 awarding the contract to the low bidder pursuant to the Engineer's recommendation, Metro City Construction, L.P., with a bid of \$167,582.50 and 75 calendar days. The source of funds is the TCEQ Series 2012 Bond Issue No. 33.

18. Change Order No. 1 for Water Plant No. 4 Interior & Exterior Recoating and Site Improvements
Approved
- Mr. Rosenbaum presented Change Order No. 1 for Water Plant No. 4 Interior and Exterior Recoating and Site Improvements 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 G. Johnson, the Board voted unanimously to approve Change Order No. 1 for Blastco Texas, Inc. for \$1,950.00 and no additional calendar days requested.
19. Pay Application No. 2 For Water Plant No. 4 Interior and Exterior Recoating and Site Improvements
Approved
- Mr. Rosenbaum presented Pay Application No. 2 for Water Plant No. 4 Interior and Exterior Recoating and Site Improvements 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 V. Johnson and seconded by Director Savely, the Board voted unanimously to approve Pay Application No. 2 for Blastco Texas, Inc. in the amount of \$253,687.50.
20. Pay Application No. 3 & Final for Sanitary Sewer Phase 52 Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 3 & Final for Sanitary Sewer Phase 52 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit Q.)
- Thereupon, by motion duly made by Director Savely and seconded by Director G. Johnson, the Board voted unanimously to approve Pay Application No. 3 & Final for PM Construction & Rehab, LP in the amount of \$218,965.76.
21. Pay Application No. 6 For the Sanitary Sewer Phase 53 Television Inspections
Approved
- Mr. Rosenbaum presented Pay Application No. 6 for the Sanitary Sewer Phase 53 Television Inspections for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit R.)
- Thereupon, by motion duly made by Director V. Johnson and seconded by Director Savely the Board voted unanimously to approve Pay Application No. 6 for AAA Flexible Pipe Cleaning Co., Inc. in the amount of \$10,724.94.
22. Pay Application No. 1 & Final for the Sanitary Sewer Phase 53 Manhole Rim Adjustments
Approved
- Mr. Rosenbaum presented Pay Application No. 1 & Final for the Sanitary Sewer Phase 53 Manhole Rim Adjustments for the Board's review and 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 V. Johnson, the Board voted unanimously to approve Pay Application No. 1 & Final for Big Boy Concrete in the amount of \$24,750.00.
23. Pay Application No. 1 For the Sanitary Sewer Phase 54 Manhole Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Sanitary Sewer Phase 54 Manhole Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit T.)
- Thereupon, by motion duly made by Director Savely contingent to the deletion of "& Final" and seconded by Director G. Johnson, the Board voted unanimously to approve Pay Application No. 1 for CDC Unlimited, LLC in the amount of \$8,640.00.
24. Award Construction Contract for Sanitary Sewer Phase 55 Rehabilitation
Approved
- Mr. Rosenbaum presented the bids received for Sanitary Sewer Phase 55 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit U.)
- Thereupon, by motion duly made by Director V. Johnson and seconded by Director Savely, the Board voted unanimously to approve awarding the contract to the low bidder pursuant to the Engineer's recommendation, PM Construction & Rehab, with a bid of \$567,269.00 and 105 calendar days. The source of funds is the TCEQ Series 2011 Bond Issue No. 31 and the TCEQ Series 2012 Bond Issue No. 33.

25. Pay Application No. 1
For Sanitary Sewer
Phase 56 Television
Inspections
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Sanitary Sewer Phase 56 Television Inspections for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit V.)
- Thereupon, by motion duly made by Director V. Johnson and seconded by Director G. Johnson, the Board voted unanimously to approve Pay Application No. 1 for National Works, Inc. in the amount of \$19,465.51.
26. Pay Application No. 4
For Lift Stations No.
2, 3, 9 & 14
Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 4 for Lift Stations No. 2, 3, 9 & 14 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit W.)
- Thereupon by motion duly made by V. Johnson subject to the deletion of "& Final" and seconded by Director Savely, the Board voted unanimously to approve Pay Application No. 4 for T & C Construction, LTD in the amount of \$16,425.00.
27. Pay Application No. 1
For Lift Station No. 15
Rehabilitation
Approved
- Mr. Rosenbaum presented Pay Application No. 1 for Lift Station No. 15 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit X.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve Pay Application No. 1 for T & C Construction, LTD in the amount of \$101,758.50.
28. Pay Application No. 1
For the Storm Sewer
Phase 22
Rehabilitation
Approved
- Mr. Rosenbaum presented Pay No. 1 for the Storm Sewer Phase 22 Rehabilitation for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit Y.)
- Thereupon, by motion duly made by Director Savely and seconded by Director G. Johnson, the Board voted unanimously to approve Pay Application No. 1 for National Power Rodding Corporation in the amount of \$40,364.14.
29. 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 Z.)
30. Capital Projects
Disbursements
Approved
- The Capital Projects Disbursements Report was presented for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit AA.)
- 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 \$1,003,224.79.
31. Attorney's Report
- Mr. Schweinle reported that Director Branch and he will be attending the Committee Hearings in Austin on Tuesday regarding the pending bills affecting the Water Authority.
32. Investment Summary
Approved
- The Investment Summary ending January 31, 2013 was presented for the Board's review and approval. (Copy attached hereto as part of these minutes and identified as Exhibit BB.)
- Thereupon, by motion duly made by Director Savely and seconded by Director Branch, the Board voted unanimously to approve the Investment Summary ending January 31, 2013.

33. General Manager's Report

Mr. Byrd reported that water plant # 4 should go online next week and lift station #15 is nearing completion.

34. Old and New Business

President Yoder reported that Director Savely has requested a closed session.

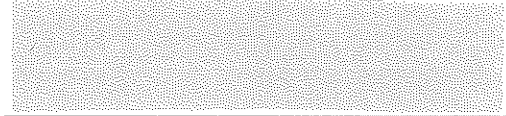
Director Branch reported on the meeting he had with Councilman Martin, City of Houston, regarding the on-going inlets controversy.

Director V. Johnson discussed the Municipal Setting Designation Resolution for 900-910 Gemini and a need for the Board to vote for/against the resolution.

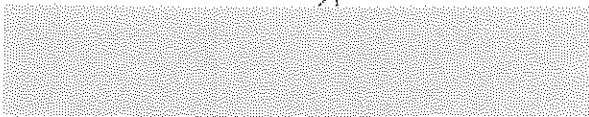
Curt Rodgers (Director of Utilities) reported the Bay Oaks Country Club was told by the City of Houston that golf carts could not be washed unless the storm sewer is tied to the City of Houston's.

35. Meeting Adjourned

President Yoder declared the regular meeting adjourned at 8:50 p.m.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)

DATE APPROVED: April 11, 2013

