



CLEAR LAKE CITY WATER AUTHORITY

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

November 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 November 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://meet.goto.com/975228773>

Phone conference call at: +1 (408) 650-3123 Access Code:975-228-773

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 October 13, 2022 Public Hearing for CLCWA 2022 Ad Valorem Tax Rate and the Regular Board Meeting;
2. Comments from the floor (5-minute limitation);
3. Review and approve Pay Application 20 for Water Plant No. 1;
4. Review and approve Pay Application 21 for Water Plant No. 1;
5. Consider and act upon adding Heather Frank as an authorized signer on all Prosperity Bank tax accounts;
6. Consider and act upon adding Heather Frank as an authorized signer and contact on CLCWA's accounts;
7. Consider and act upon adding Heather Frank as an authorized signer on all Texpool accounts;
8. Receive Tax Collector Report ending October 31, 2022;
9. Consider and act upon Financial Report ending September 30, 2022;
10. Consider and act upon Capital Projects Report September 30, 2022;

11. Consider and act upon the Operating Disbursement's Report ending October 31, 2022;
12. Review and approve Pay Application 2 for Sanitary Sewer Phase 75 Rehabilitation at Honey Oaks;
13. Review and approve Pay Application 10 & Final for Sanitary Sewer Phase 87 Rehabilitation;
14. Review and approve Project Status Report 3 for Sanitary Sewer Phase 91 TV Inspections;
15. Review and approve Pay Application 2 & Final for Sanitary Sewer Phase 94 Emergency Rehabilitation
16. Review bids and award construction contract for Sanitary Sewer Phase 93 Rehabilitation;
17. Review bids and award construction contract for Wastewater Treatment Plant Belt Filter Press No. 2 Rehabilitation;
18. Review and approve Pay Application 12 for Exploration Green Detention Pond Phase 3B;
19. Review and approve Pay Application 1 for Exploration Green Detention Pond Phase 3B Amenities;
20. Review and approve Pay Application 6 for Exploration Green Detention Pond Phase 5;
21. Review and approve Pay Application 5 for Meadowgreen Section 1 Drainage Improvements;
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 September 30, 2022;
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 November 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, November 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/975228773>
Phone conference call at +1(408)650-3123 Access Code: 975-228-773

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);
Mr. W. Thomas Morrow, Secretary;
Ms. Anthea Guest, Director.

Mr. John Graf, Director, was not present.

Also present were:

Ms. Jennifer Morrow, General Manager;
Mr. Curtis Rogers, Director of Utilities (by video conference);
Mr. Samuel Johnson, Attorney, Coats Rose, (by video conference);
Mr. Eddie Streich, Engineer, LAN;
Ms. Abigail Stanhouse, Engineer, LAN;
Mr. Dean McGee, Director of Finance;
Ms. Diana Espinoza, Staff Accountant;
Mr. Blair Korndoffer, Diamond Development Group;
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. Minutes of the October 13, 2022, Special Meeting Approved

Reading of the minutes of the October 13, 2022, Public Hearing for CLCWA 2022 Ad Valorem Tax Rate and the 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 Guest, the Board voted unanimously to approve the minutes of the October 13, 2022, Special Meeting.

2. Comments from the Floor

No comments from the floor.

3. Review for approval Pay Application 20 for Water Plant No. 1
Approved

Mr. Korndoffer provided an overview of Pay Application 20 for Water Plant No. 1. This Pay App consisted of the final draw, minus retainage, for minor work for the exit light, fire alarm, and grill (that were pending the completion of electrical work), fees, permit changes and landscaping.

Thereupon, by motion duly made by Director Morrow, seconded by Director Guest, and opposed by Director Savely, the Board voted by majority to approve Pay Application No. 20 for Water Plant No. 1 to Diamond Development Group for \$6,302.70. Director Savely's concerns resulting in a Nay vote regarding Pay App 20 were addressed with a more detailed explanation of the items included in the pay app cost.
4. Review for approval Pay Application 21 for Water Plant No. 1
Approved

Mr. Korndoffer provided an overview of Pay Application 21 for Water Plant No. 1. This pay app consisted of payment of 9% of the held retainage amount to bring the remaining held retainage value to a 1% agreed upon amount. The remaining 1% retainage will be held in place during the one-year warranty period. The remaining known work to be finalized and verified includes hose bibs installation and for a malfunctioning doorknob to be repaired or replaced.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 21 for Water Plant No. 1 to Diamond Development Group for \$388,385.82
5. Consider and act upon adding Heather Frank as an authorized signer on all Prosperity Bank tax accounts
Approved

Mrs. Morrow provided an overview of agenda items 5, 6, and 7 concerning the addition of Heather Frank as an authorized signer and contact to the Prosperity Bank tax, Wells Fargo, and Texpool accounts.
6. Consider and act upon adding Heather Frank as an authorized signer and contact on CLCWA's accounts
Approved

Mrs. Morrow clarified that agenda item 6 "Consider and act upon adding Heather Frank as an authorized signer and contact on CLCWA's accounts" pertained to the Wells Fargo accounts.
7. Consider and act upon adding Heather Frank as an authorized signer on all Texpool accounts
Approved

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted to approve the adding of Heather Frank as an authorized signer and contact to the Prosperity Bank tax, Wells Fargo, and Texpool accounts, as considered in agenda items 5,6, and 7.

8. Tax Collector's Report Ending 10/31/2022

The Tax Collector's Report ending October 31, 2022, 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 B.)

9. Financial Report Ending 9/30/2022 Approved

The Financial Report ending September 30, 2022, 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 C.) It was noted that the final numbers for FY 2022-2023 closed out lower than the projected value due to the hard work of management and staff.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Financial Report ending September 30, 2022.

10. Capital Projects Report Ending 9/30/2022 Approved

The Capital Projects Report for the period ending September 30, 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 D.)

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 September 30, 2022.

11. Operating Disbursements Report Ending 10/31/2022 Approved

The Operating Disbursements Report for the period ending October 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 E.)

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve the Operating Disbursements Report for the period ending October 31, 2022.

12. Pay Application 2 for Sanitary Sewer Phase 75 Rehabilitation at Honey Oaks Approved

Pay Application No. 2 for Sanitary Sewer Phase 75 Rehabilitation at Honey Oaks 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 Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 2 for Sanitary Sewer Phase 75 Rehabilitation at Honey Oaks to CDC Unlimited, LLC for \$72,549.00.

13. Pay Application No. 10 & Final for Sanitary Sewer Phase 87 Rehabilitation Approved

Pay Application No. 10 & Final for 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 G.) It was noted that a warranty inspection will be performed in 10 months prior to the expiration of the one-year warranty. Four days of liquidated damages were assessed at \$800.00 per day for late completion of the job. Additionally, \$200.00 was retained for not finishing landscape site restoration repairs to one property that CLCWA will complete.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application

No. 10 & Final for Sanitary Sewer Phase 87 Rehabilitation to CZ Construction, LLC for \$68,230.34.

14. Review and approve Project Status Report 3 for Sanitary Sewer Phase 91 TV Inspections
Approved
- Project Status Report No. 3 for Sanitary Sewer Phase 91 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 H.) It was noted that the work has been paused so the assigned crew can work on area main break repairs and will recommence once main break repairs are managed.
- Thereupon, by motion duly made by Director Guest and seconded by Director Morrow, the Board voted unanimously to approve Project Status Report No. 3 for Sanitary Sewer Phase 91 TV Inspections from TCEQ Series 2020 Bond Issue No. 40 for \$12,518.20.
15. Pay Application No. 2 and Final for Sanitary Sewer Phase 94 Emergency Rehabilitation
Approved
- Pay Application No. 2 and Final for Sanitary Sewer Phase 94 Emergency 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.) It was noted that the majority of this pay app is the completion of the cured in place pipe (CIPP) work, epoxy liner on the manhole, and site restoration. The process for inspection and cleanout will be done in conjunction with the rehabilitation of other lines in the area down to the lift station. Once the TV inspections are complete and a plan is finalized the contract will go out to bid, projected to be ready for bid in January 2023.
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 2 and Final for Sanitary Sewer Phase 94 Emergency Rehabilitation to CDC Unlimited, LLC for \$69,550.95.
16. Review bids and award construction contract for Sanitary Sewer Phase 93 Rehabilitation
Approved
- Bids for the construction contract for the Sanitary Sewer Phase 93 Rehabilitation were presented to the Board for review, discussion, to consider options, and accept or reject bids. (A copy of which is on file in the official records of the Authority and identified as Exhibit J.) It was noted that CLCWA has not worked with Texas Pride, but the company has acceptable experience and recommendations.
- Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve awarding the contract to Texas Pride Utilities for \$677,285.00 and 270 calendar days.
17. Review bids and award construction contract for Wastewater Treatment Plant Belt Filter Press No. 2 Rehabilitation
Approved
- Bids for the construction contract for the Wastewater Treatment Plant Belt Filter Press No. 2 Rehabilitation were presented to the Board for review, discussion, to consider options, and accept or reject bids. (A copy of which is on file in the official records of the Authority and identified as Exhibit K.) It was noted that the equipment is from Alfa Laval, Inc. and therefore it is understandable for Alfa Laval to be the singular bidder. The plant will be able to process sludge during the rehabilitation using belt filter press No. 1.
- Thereupon, by motion duly made by Director Guest and seconded by Director Morrow, the Board voted unanimously to approve awarding the contract to Alfa Laval, Inc. for \$260,120.00 and 270 calendar days.

18. Pay Application
No. 12 for
Exploration Green
Detention Pond
Phase 3B
Approved

Pay Application 12 for 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 L.) It was noted that the held retainage percentage has dropped from 10% to 7%. The remaining work to complete on-site is to establish seed and turf, which is pending approval of an updated seed mix due to the previous mix no longer being available. The seed mix can not be purchased and stored ahead of time due to the shelf life.

Thereupon, by motion duly made by Director Guest and seconded by Director Morrow, the Board voted unanimously to approve Pay Application 12 for Exploration Green Detention Pond Phase 3B to Serco Construction Group, LTD. For \$346,358.93.

19. Pay Application
No. 1 for
Exploration Green
Detention Facility
Phase 3B
Amenities
Approved

Pay Application No. 1 for Exploration Green Detention Facility Phase 3B Amenities 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 CLCWA and the Exploration Green Conservancy have grants pertaining to reimbursement for the amenities portion of the trails construction.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application No. 1 for Exploration Green Detention Facility Phase 3B Amenities to Serco Construction Group, LTD. For \$248,302.89.

20. Pay Application
No. 6 for
Exploration Green
Detention Facility
Phase 5
Approved

Pay Application No. 6 for the Exploration Green Detention Facility Phase 5 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.) It was noted that the contractor is currently looking for an additional haul site to facilitate faster processing of excavated dirt, due to the current haul site being occasionally shut down due to weather or unable to accept wet soil conditions.

Thereupon, by motion duly made by Director Savely and seconded by Director Morrow, the Board voted unanimously to approve Pay Application No. 5 for the Exploration Green Detention Facility Phase 5 to Serco Construction Group, LTD. for \$1,401,022.23.

21. Pay Application
No. 5 for
Meadowgreen
Section 1
Drainage
Improvements
Approved

Pay Application 5 for Meadowgreen Section 1 Drainage 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 O.) It was noted that this project has been assigned a new project manager. The storm sewer is complete, 2 of the 3 sections of disturbed concrete are replaced at the intersection, and the new inlet installations are in process. The intersection, site restoration and grading at the sidewalk should be complete next week. Then construction on the extreme event swale should start by the end of November.

Thereupon, by motion duly made by Director Morrow and seconded by Director Guest, the Board voted unanimously to approve Pay Application 5

for Meadowgreen Section 1 Drainage Improvements to Persons Services Corp. for \$243,914.31.

22. Engineers Report

Mr. Streich provided an update to the Board regarding the Horsepen Bayou Channel Conveyance Improvements by the Harris County Flood Control District (HCFCD), from Bay Area Blvd to approximately 800 ft north of Clear Lake City Blvd. 90% drawings have been received and are under review. If funding is approved the project could start next year. This project would include adding additional conveyance by widening the channel by approximately 20 ft, replacing outfall pipes, replacing interceptor structures, repairing slope failures and the installation of an access road. Concerns were raised by Director Morrow regarding corroded and crumbling outfalls in Brookforest, owned by the HCFCD, and adjacent to the Horsepen Bayou Channel. The issue will be reviewed and brought to the attention of the HCFCD. Additionally, CLCWA will survey outfalls, owned by the CLCWA, for possible repair or replacement that could be performed in conjunction with above work to better facilitate the improved flow of water through the area's storm sewer system.

23. Capital Projects
Disbursement
Report
Approved

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 P.)

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 \$2,825,135.32.

24. Attorney's Report

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

25. Investment
Summary Ending
September 30,
2022
Approved

The Investment Summary for the period ending September 30, 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 Q.)

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 September 30, 2022.

26. General
Manager's
Report

Mr. Rogers provided an overview regarding a meeting held with the Johnson Space Center about the CLCWA providing water and sewer services to Space Center Houston. The JSC can no longer provide services to Space Center Houston and is in the process of looking for alternatives. A feasibility study has been completed and they have been made aware that any lines needed to tie into the existing CLCWA service structure will be the responsibility of Space Center Houston. Once additional information concerning the current infrastructure, current usage and future needs are received the request will be reviewed.

Mrs. Morrow provided an update on the AVR software upgrades. The Customer Service billing program upgrade is set for early December. The work order processing program upgrade is set for January. This will allow

for electronic work orders to be sent directly out in the field, to handheld tablets, resulting in better response times and up to date information on site.

The upgrade and migration of the CLCWA phone service is scheduled for November 18, 2022. Currently 4 lines supplying service to the elevator, fire alarm, and fax lines will be maintained on the existing service until appropriate options can be considered.

Due to the lack of rain, main breaks continue to be an issue with 40 breaks in October and currently 9 less severe or isolated leaks pending repairs.

The televising of the new El Dorado detention line was delayed due to contractor needing to complete some repairs closer to Horsepen Bayou. The Harris County Project Manager will advise the CLCWA when the repairs are complete. The line will be televised again 10 months after completion, prior to the one-year warranty, before formally accepting the new detention line.

27. Old and New
Business

Director Savely inquired about looking into the process of becoming established as a priority in the event of an emergency situation where supplies are limited and it concerns repair and maintenance of the water and sewer infrastructure, similar to JSC's status

Director Savely raised concerns regarding the communication of rate calculations, comparisons, and processes to the community. Issues regarding direct comparisons include cities having additional revenue streams from property, sales, and school taxes, the combining of funds for water and sewer services into all city services, and drainage and other fees applied for city services. For example, the City of Houston's revenue streams that can be used for their water and sewer infrastructure include, property tax, sales, tax, school tax, water and sewer fees, and a \$350 drainage fee. The City of Houston does not breakdown the percentage used of each of these revenue streams for water and sewer infrastructure or services. A draft document was discussed and will be reviewed to later provide to the community, in an effort to better convey information on the pricing structure and rate comparisons of the CLCWA. The document's goals will include the ability to better communicate and demonstrate to the public that the current rate structure allows the community input into the acquirement and usage of bond debt, with the ability to vote on proposed bond issuance related to water and sewer infrastructure. The use of taxes to repay said bonds allows for the costs to be tax deductible. Additionally, the response is to clarify that the CLCWA acts as a buffer against residents paying the City of Houston's drainage fee assessed to residents in both jurisdictions.

Director Branch voiced his satisfaction with the event held at Exploration Green on Saturday, October 29, 2022. The event combined an afternoon fall festival by the Clear Lake City Community Association Recreation Center, a 5K run, and an evening Glow the Green Halloween event. An estimated 400 people attended the event and plans are being made to continue holding the event in the future.

Director Branch went over the expectations of the Long-Term Planning Meeting/Workshop scheduled for November 16, 2022. The meeting will be held to review and discuss objectives for the future needs of the CLCWA.

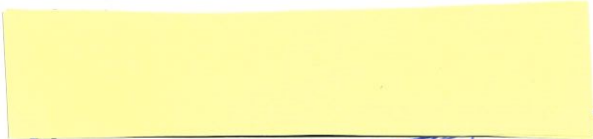
These objectives could include any improvements including but not limited to energy independence, additional training, enrichments, and/or digital processes.

28. Meeting
Adjourned

President Branch declared the open meeting adjourned at 8:05 p.m.



President, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY



Secretary, Board of Directors
CLEAR LAKE CITY WATER AUTHORITY

(SEAL)



DATE APPROVED: 12/08/22