

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT
February 24, 2021

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in regular session, via telephonic communication on Wednesday, February 24, 2021 in the Columbia Lakes Resort Cottages back conference room, Columbia Lakes, West Columbia, Texas 77486, inside the boundaries of the District.

to-wit:

Allan Sassin	President
Gene Pell	Vice-President / Financial Director
Becky Carroll	Secretary/Treasurer
Randall Weeks	Asst. Secretary/Treasurer
Ray Sauer	Director

Also present were the following: Debra Lanehart, 1st Capital Business Services, LLC; Doug Roesler & Steve Matula, Baker & Lawson; Morris Ryder, Ryder & Co. LLC; Clark Lord, Bracewell

Directors Sassin, Sauer, and the above noted attendees were physically present with Directors Carroll and Pell via phone. All members were present, except Randall Weeks thus constituting a quorum.

Director Sassin called the meeting to order at 9:30am

Minutes are presented in order of the stated agenda even though actual order of topics may be discussed out of agenda order.

A. Public Comments: None

B. OPERATOR'S REPORT

1. Update on maintenance: January
 - Bacteriological samples were good.
 - Mowed and weeded pump stations and levee, North Ditch.
 - Cleaned storm drains.
 - Water taps: 2 long taps, 5 short tap, 8 sewer taps
 - Repaired E Pump Gate
 - Repair meter leak Twin Lakes East

B. OPERATOR'S REPORT CONT.

- Repaired storm drains and manholes
- Changed out additional storm grates.
- Slip lined sewer at 2325 Shalmar.
- Raised fire hydrant.

Motion to approve purchase of an air compressor at \$3,900 made by Director Sauer, seconded by Director Sassin and the vote was unanimous.

The rented generator for the water plant is costing about \$3,200-\$3,500/ per week.

Motion to purchase a temporary backup generator made by Director Sauer, seconded by Director Sassin and the vote was unanimous.

Felder to provide quotes for both rebuilding and new right-angle drive on Well #1.

Directors Sassin and Sauer will review the quotes for decision on plan of action.

Director Sassin provided a timeline of events occurring between Sunday February 14-19, 2021. This summary of events covers the power outage and subsequent water outage and the subsequent system recovery.

Motion to accept the Operator's report made by Director Sauer and seconded by Director Sassin and the vote was unanimous.

C. ENGINEER'S REPORT

1-3. Baker & Lawson

The Generator Project bid package is ready.

Motion to proceed with advertising the Generator Project made by Director Sauer, seconded by Director Sassin and the vote was unanimous.

The parts for Water Well #2 have been ordered. Felder estimates late February date for the project start. Discussion of postponing taking Well #2 out of service until the right-angle drive issue has been resolved on Water Well #1.

The Engine/Pump have been ordered for the North Pump Station project. Power lines run through the North Ditch Levee. Contractors want it relocated before starting project. 42" Gravity Outfall: Change Order gives net credit of \$8,000. The change was a result of the design change in the Demo and Pour 4" Roll Over Curb line item.

Motion to accept the change order for the 42" Gravity Outfall made by Director Sauer, seconded by Director Pell and the vote was unanimous.

There has been no response the VCUD offer on various easements.

C. ENGINEER'S REPORT CONT.

Motion to accept the report made by Director Sassin and seconded by Director Sauer. The vote was unanimous.

D. LEGAL/FINANCIAL ADVISORS

1. The City of West Columbia has requested an extension of the Waste-Water Treatment contract for another one-year period ending February 28, 2022.

Motion to accept the extension to the Waste-Water Treatment contract for one-year ending February 28, 2022 made by Director Sassin, seconded by Director Sauer and the vote was unanimous.

2. The City of West Columbia has requested an increase from \$0.03 to \$0.10 for the equipment replacement. After discussion, action was deferred until more information was received.

3. Service contracts approvals with Operator and Administrator for the District will be reviewed with Directors Sassin and Carroll for increases in rates and presented at the next Board meeting.

E. SECURITY:

None.

F. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Billing for the month of January 2021:

Read dates: 12/01-12/31/21.

Pumped: 5,079,000

Consumption: 4,417,000

Accountability: 86.98%

Water and Sewer Billing: \$45,112.99

Meters billed: Residential: 1,020 Commercial: 39 water, 35 sewers

Disconnect Date: 03/01/2021

Director Sauer made the motion to accept the water billing report for month of January. The motion was seconded by Director Carroll and the vote was unanimous.

No cut-off this month.

2. Balance write-off: No action taken. Directors Sassin and Sauer to review A/R aging report for potential write-offs.

G. ADMINISTRATORS REPORT CONT.

1. Standby collections for January 2020 was \$2,852.00. Standby Accounts Receivable as of January 31, 2020 was \$21,658.00.

Motion to accept the Standby report made by Director Carroll, seconded by Director Sauer and the vote was unanimous.

2. Debra Lanehart presented the Cash Balances report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts for the month of January 2021.

Motion made by Director Carroll to accept the Cash Balance Report, seconded by Director Sauer and the vote was unanimous.

3. Tax collections for the month of January 2021 was \$193,466.12. The adjustment for January decreased the 2021 taxes by \$57.00. Prior period taxes collection was \$1867.31.

Motion to approve the January tax collections report made by Director Sauer seconded by Director Carroll and the vote was unanimous.

5. Budget Report/Income Statement: Debra Lanehart presented the Budget Performance Report showing \$83,222.58 of income through January 2021 or 8.86% of the total income budget of \$939,000.00. The reported expenses for the same period were \$65,197.39 or 6.94% of the budgeted expenses of \$939,000.00.

Motion to approve the Budget report for January made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

6. Debra Lanehart provided list of checks with \$105,931.66 out of the Operating account to be approved and seven (5) out of Capital Projects Fund for total of \$2,965.00 for Bond Projects and one (1) check out of the Debt Service Fund for the Brazoria County Tax Office for the 2020 Commission Fees.

Motion to approve check list made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

H. MINUTES

Director Carroll made the motion to accept the January 20, 2021 Regular meeting minutes as presented. Director Sauer seconded the motion and the vote was unanimous.

I. Adjourn: There being no other business to come before the Board, Director Sauer made a motion to adjourn. The motion was seconded by Director Sassin and the vote was unanimous.

Debra Lanehart
District Administrator

(SEAL)

