

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

January 15, 2020

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in regular session, open to the public in the Oak Room of the Columbia Lakes Resort , Columbia Lakes, West Columbia, Texas within the boundaries of the District on the 15th day of January 2020 at 9am. and the roll was called of the duly constituted officers and members of the Board,
to-wit:

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

Also present were the following: Debra Lanehart, 1st Capital Business Services, LLC; Morris Ryder and Ben Ryder, Ryder & Co.; Doug Roesler and Steve Matula, Baker & Lawson; Randall Weeks, resident. All members were present, thus constituting a quorum.

Director Sassin called the meeting to order at 9:00am

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

A. Public Comments:

1. No public comments at this meeting.

B. SECURITY

Motion to extend existing barbed wire fence over levee in west corner/ North Ditch made by Director Carroll, seconded by Director Pell and the vote was unanimous.

C. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Billing for the month of December 2019:
Read dates November 1- November 30, 2019
Pumpage: 5,278,000
Consumption: 5,877,700
Accountability: 111.36% (meter for the pump will be checked for recalibration)

Director Carroll made a motion to accept the water and sewer reports, seconded by Director Sauer and the vote was unanimous.

Disconnect date: January 30, 2020

Director Sauer made the motion to approve the cutoff list for January 30, 2020. Director Pell seconded the motion and the vote was unanimous. (January cutoff date actually January 22, 2020. Directors voted by e-mail to approve the actual date)

2. Transitioning of the billing services is still ongoing. Daily activities are starting to go more smoothly. Staff continuing to evaluate the reporting capabilities of the software.
3. The meter for the resident (who turned on the cutoff meter) will be fitted with lock out attachment to prevent further use until account brought current.
4. No update.

D. OPERATOR'S REPORT

1. Update on maintenance: December
 - Bacteriological samples were good.
 - Mowed and weeded pump stations and levee, North Ditch.
 - Cleaned storm drains
 - Checked for water leak Cottages 29/30,
 - Repair leak on Lake Forest
 - Water taps: long tap and sewer tap at 260 Freeman
 - 10 Sewer taps and 3 water taps, 7 sewer inspections
 - Checked grease trap at Vallarta's
 - Paint fire hydrants

2. No cul-de-sacs done this month.

3. Jetting Machine:

Motion to authorize purchase of Pipehunter, Inc. Series 34418 Single Axle Trailer/ 4000 PSI @18 GPM Jetting machine plus pulse attachment made by Director Pell, seconded by Director Pollard and the vote was unanimous.

Motion to accept the Operator's report made by Director Sauer and seconded by Director

D. OPERATOR'S REPORT CONT.

Carroll and the vote was unanimous.

E. ENGINEER'S REPORT

1-3. Engineer's report attached for agenda items 1-3 giving the current status of all bond projects.

4. All issues with meter installation resolved/ approve final invoicing.

5. East pump station property purchase completed. Directors requested Engineer plot and stake the property for fencing and gate installation.

6. Annual Review of the Dam Emergency Action Plan will be reviewed by Baker & Lawson. 1st Capital Business Services, LLC will provide an updated contact list to the County at the end of the year.

7. Tabled until Engineers can check on the water rights Mr. Verkin offered are still valid.

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

F. LEGAL/FINANCIAL ADVISORS

1. Golf Course

2. Extension of Contract terms with Operator

3. Extension of Contract terms with Administrator

4. Extension of Standby Billing Contract terms with CLHOA/1st Capital Business Services, LLC

5. City of West Columbia Waste Treatment Plant Contract

G. ADMINISTRATORS REPORT

1.1. Debra Lanehart presented to Standby Collection report for December 2019. December collections totaled \$3,375.00. Administrator will calculate possible standby with TCEQ formula based on 2021 standby application documents.

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

1.2. Debra Lanehart presented the Administrator's report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts for the month of December 2019. Check and correct Operating Fund Cash Analysis Report for water receipts. Board approved the transfer of \$100,000 from Prosperity Bank Operating account to Tex Pool acct 010.

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

ADMINISTRATORS REPORT Cont.

1.3. Analysis of Sewer Charges for 3-month period October 1 to December 31, 2019 indicates overpayment of charges of \$10,513.

1.4. Tax Assessor/Collector's report for December was presented. Payments for the Current year levy was \$655,894.28. Adjustment for current and prior periods were -931.50.

Motion to accept the Tax Assessor/Collector's report made by Director Carroll, seconded by Director Pollard and the vote was unanimous.

1.5. Budget Report for December 2019 was presented. Revenues to-date are \$854,878.05 of the 2019 Budgeted revenue amount of \$862,000 or 99.2%. Expense to-date total \$755,495.85 of the 2019 Budgeted expenses amount of \$862,000 or 87.6%.

Motion to accept the Budget Report for November was made by Director Sauer, seconded by Director Pell and the vote was unanimous.

5. The 2020 Budget was presented.

Motion to adopt the 2020 Operating Budget was made by Director Pell, seconded by Director Pollard and the vote was unanimous.

6. Debra Lanehart provided list of checks with \$82,544.09 out of the Operating account to be approved, twelve (12) checks totaling \$135,771.93 out of Capital Projects Fund for Bond Projects and one (1) check from Debt Service for the BNY Mellon paying agent fee for \$750.00.

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

H. MINUTES

Director Carroll made the motion to accept the minutes from the Special Budget Meeting on December 12, 2019. The motion was seconded by Director Pollard and the vote was unanimous. Director Carroll made the motion to accept the December 18, 2019 regular meeting minutes with the correction of remove Randall Weeks, Resident and add Tim Davenport, TexCon and change the Month to November. The motion was seconded by Director Sauer and the vote was unanimous.

I. TRUST PROPERTIES: NONE

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

Debra Lanehart
District Administrator

(SEAL)