

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

March 18, 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 back office of the Columbia Lakes Resort Cottages at 180 Freeman Blvd., Columbia Lakes, , West Columbia, Texas within the boundaries of the District on the 18th day of March 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, Ryder & Co.; Steve Matula, Baker & Lawson; Kevin Cadenhead, KML, LLP; Randall Weeks. 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.

B. Audit Presentation:

1. Kevin Cadenhead from KML, LLP presented the 2019 Audit. District received an Unmodified Opinion for the 2019 Audit. Audit went smoothly despite the changeover of the water and sewer billing during the year.

Motion to accept the 2019 Audit as presented made by Director Pell, seconded by Director Sauer and the vote was unanimous.

2. Motion to authorize Hilltop Securities/First Southwest to prepare and file the District

Continuing Disclosure Report for 2019 made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

C. SECURITY

No Report.

D. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Billing for the month of February 2020
Read dates January 1-31, 2020
Pumped: 5,186,000
Consumption: 4,806.100
Accountability: 92.67%
Water and Sewer Billing: \$48,757.95
Meters billed: Residential: 945 Commercial: 39 water, 35 sewer

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

Disconnect date: March 25, 2020

Director Sauer made the motion to approve the cutoff list for March 25, 2020. Director Pollard seconded the motion and the vote was unanimous.

2. Transitioning of the billing services is still ongoing.
3. Morris Ryder will monitor the Townhouse meter for usage. Tabled for any action.
4. Debra Lanehart presented billings for several water accounts with balances that are in foreclosure. Motion to lock out meters on accounts for Su Casa USA, LLC if the meters are not currently active made by Director Sauer, seconded by Director Pell and the vote was unanimous.

E. OPERATOR'S REPORT

1. Update on maintenance: February
 - Bacteriological samples were good.
 - Mowed and weeded pump stations and levee, North Ditch.
 - Cleaned storm drains
 - Repair meter leaks: 267 Forest Park
 - Changed meter at 213 Canterbury, 217 Canterbury
 - 10 water taps, 10 sewer taps/ inspections

E. OPERATOR'S REPORT CONT.

- Sewer stoppage 1816 Veranda
- Changed out grates.
- Painted pressure tanks 1 and 2
- Painted no trespass posts on levee
- Cleared brush from East Levee

2. More drain covers were replaced in February. The solid grate seems to help the drainage.

3. East Pump Station:

Motion to remove tree from East Pump Station property for price of \$1,000 by Ryder & Co. LLC made by Director Pell, seconded by Director Sauer and the vote was unanimous.

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

F. ENGINEER'S REPORT

1-3. Bid package for the re-work of Water Well #2 is almost ready. Once awarded, it will be a four (4) week process.

The Upgrade to the 3rd Booster Pump will require additional electric work to panel. I will need to be brought to code.

North pump station still in progress to go out for bids.

Motion made by Director Pell to authorize award of the Upgrade of the 3rd booster pump to Felder at \$18,250 plus \$2,600 for the electric upgrade. The motion was seconded by Director Pollard and the vote was unanimous.

4. Directors Pell and Pollard will work on ideas for landscaping on Freeman Lagoon to camouflage the flap gate structures

5. Dam Emergency Action Plan: In progress

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

G. LEGAL/FINANCIAL ADVISORS

1. Golf Course: No Action

G. LEGAL/FINANCIAL ADVISORS CONT.

2. Standby Application: Tabled until next month, more review of cost vs. revenue projections.

H. ADMINISTRATORS REPORT

1. Debra Lanehart presented to Standby Collection report for February 2020. February collections totaled \$600.00.

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

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 February 2020.

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

3. No action taken.

4. Tax Assessor/Collector's report for February was presented. Payments for the Current year levy was \$57,085.19. Payments for prior periods was \$1,175.93. Adjustment for current and prior periods were -\$9.54.

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

5. Budget Report for February 2020 was presented. Revenues to-date are \$155301.54 of the 2020 Budgeted revenue amount of \$875,000 or 18%. Expense to-date total \$115,152.10 of the 2020 Budgeted expenses amount of \$875,000 or 13%.

Motion to accept the Budget Report for February was made by Director Pollard, seconded by Director Carroll and the vote was unanimous.

6. Amended Rate Order workshop for review and updating: March 25, 2020, 10 am in the office of the Administrator at 310 E Brazos Avenue, West Columbia, TX.

7. Analysis of Sewer Charges 5-month 10/1/19-2/29/20

To-date flow indicates VCUD portion of 34.43% of the total flow for the Sewer Treatment Plant. Current calculation indicates an overpayment of \$15,885.

8. Debra Lanehart provided list of checks with \$93,178.14 out of the Operating account to

be approved, seventeen (17) out of Capital Projects Fund for Bond Projects and one (1) check from Debt Service for the Brazoria County Quarterly Fees of \$1,768.25.

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

I. MINUTES

Director Sauer made the motion to accept the minutes from the Regular meeting on February 26, 2020 with the correction of adding cutoff date on the Sewer and water billing and collection report. The motion was seconded by Director Carroll 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)