

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

January 19, 2018

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 at the Columbia Lakes Clubhouse, West Columbia, Texas within the boundaries of the District on the 19th day of January, 2018 at 9 am. 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; Morris Ryder, Ryder & Co.; Doug Roesler, Baker & Lawson; Clark Lord , Bracewell, LLP; Joe Morrow, First Southwest. All members were present, except Director Sassin thus constituting a quorum.

Gene Pell 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. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Debra Lanehart presented the water and sewer billing and collections report for the read dates of 11/23- 12/22/17. Accountability for the month was 82% Pumpage was 5,492,000 and consumption was 4,504,600.

The cut-off list was presented with a cut off date of January 30, 2018.

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

Director Sauer made the motion to approve the cut off list, seconded by Director Pollard

A. SEWER AND WATER BILLING AND COLLECTION REPORTS CONT.

the vote was unanimous.

B. OPERATOR'S REPORT

1. Update on maintenance: December
 - Bacteriological samples were good .
 - Levee: Inspection good
 - Checked off-site well.
 - Mowed and weeded pump stations and levee, North Ditch
 - Cleaned storm drains
 - Winterized pipes at water plant
 - Removed driveway and repaired leak on Pleasant Valley
 - Flushed hydrants.
2. GM Services did well servicing, report not received as of meeting date.
3. Screens were installed at the East Pump Station.
Mr. Ryder informed the Board that in installing a sewer connection on Ridgewood that the sewer was not connected to the main.

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

C. ENGINEER'S REPORT

- 1 & 2 Engineers continuing to update Bond projects list.
3. Engineer has reviewed the Dam Emergency Action Plan and reported on required actions. District should conduct its 5-year "tabletop exercise" in 2018. Engineers are working toward a spring tabletop exercise with the appropriate attendees.

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

D. LEGAL/FINANCIAL ADVISORS

1. The City of West Columbia agreed to a contract extension until February 2018. No update from the City on discussion of the contract.
2. District Administrator provided the documents regarding the front lagoons that had been downloaded to Clark Lord.
- 3,4 and 5. Motion to accept the Contract extensions for Operator, Administrator and Standby billing with CLHOA and Debra Lanehart made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

E. ADMINISTRATOR REPORT

1. No Standby report.
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.

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

3. Motion to authorize the transferring of TexPool bond project accounts into the TexPool Capital Projects account made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

4. Debra Lanehart presented to Board with current interest rates for the renewal of CD's maturing February 6, 2018.

Motion to cash out the current CD's and move funds to TexPool made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

5. Tax Assessor/Collector's report for December was presented. Current year collections paid was \$522,739.97 and prior year collections for the period was \$780.39.

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

6. Budget Report for December 2017 was presented. Revenues to-date are \$802,479.55 or 104.3% of the Current Budgeted (revised) revenue amount of \$769,260.00. Expense to-date total \$735,494.98 or 95.6% of the Budgeted (revised) expenses amount of \$769,260.00.

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

7. Debra Lanehart provided list of checks with \$93,514.50 out of Operating account and one (1) checks from the Debt Service Fund to Bank of New York Mellon for \$750.00 for paying agent fees.

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

F. TRUST PROPERTIES

None

G. MINUTES

Director Sauer made the motion to accept the minutes from the December 20, 2017 regular meeting after correcting the month from November to December and a correction to the Revenue to date on the Administrators report, seconded by Director Carroll and the vote was unanimous.

H. SECURITY REPORT

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)