

MINUTES OF  
REGULAR MEETING  
VARNER CREEK UTILITY DISTRICT

March 19, 2014

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 March, at 9 a.m. and the roll was called of the duly constituted officers and members of the Board, to-wit:

Jim Gillenwaters	President
Gene Pell	Vice-President / Financial Director
Wayne Pollard	Asst. Secretary
Allan Sassin	Secretary
Rebecca Carroll	Director

Also present were the following: Debra Lanehart, 1<sup>st</sup> Capital Business Services; Morris Ryder, Ryder & Co.; Clark Lord, Bracewell & Guillani; Robert Bagley, Baker & Lawson Engineering; MJ Reddy, Columbia Lakes Cottages and Ray Sauer. All members were present except Gene Pell, thus constituting a quorum.

Jim Gillenwaters called the meeting to order at 9:00 am.

Director Pollard made the motion to ratify and approve the Appointment of Debra Lanehart as an Agent of the Secretary of the Board of Directors During the 2014 Directors Election Period, Order Calling Election for 2014 and contracting with Brazoria County to Conduct May 2014 Elections. Director Carroll seconded the motion and the vote was unanimous.

A. TRUST PROPERTY:

NONE

#### D. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT

1. Debra Lanehart reported the collections for standby in February totaled \$1,110.00.

Director Sassin made the motion to accept the standby collection report. Director Carroll seconded the motion and the vote was unanimous.

2. Debra Lanehart presented the water and sewer billing and collections report.

Accountability for the month was 84% for read dates 1/25-2/18/14. Total pumping reported by Ryder & Co. was 2,935,000 pumped and consumption totaled 2,492,500.

The cut-off list was presented; cut-off for delinquent accounts is scheduled for March 25, 2014.

Director Sassin made a motion to approve the cut-off list, seconded by Director Pollard, and the vote was unanimous.

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

#### E. ADMINISTRATOR REPORT

1. Debra Lanehart, District Administrator, presented her report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts.

Motion made by Director Sassin to accept the cash report as given, seconded by Director Pollard, unanimous approval.

2. Certified Tax Assessor report for February 2014: Current collections totaled \$52,614.46 and prior period collections totaled \$1,742.83.

Director Sassin made the motion to accept the report. Director Carroll seconded the motion and the vote was unanimous.

3. Contract Renewals: Director Pollard made the motion to renew the contracts with Ryder & Co. (District Operator) and Debra Lanehart (District accounting) and VCUD/CLHOA/Debra Lanehart (Standby billing, receiving and account maintenance). Director Carroll seconded the motion and the vote was unanimous.

4.-6. Director Carroll made the motion to approve the Resolution Concerning Tax Collection Procedures, the Resolution Providing for Additional Penalty for Tax Collection Costs and the Resolution Concerning Exemption of Residence Homesteads from Taxation. Director Pollard seconded the motion and the vote was unanimous.

#### E. ADMINISTRATOR REPORT CONT.

7. Debra Lanehart provided the Board with a proposal from Haroutiun Marhshlian for the sale of the remainder of his lot on Ridgewood Court. The District purchased a portion of the lot when levee work was done. The Board tabled the proposal until next month until a map of the lot could be provided.

#### F. MINUTES

Director Sassin made the motion to accept the minutes from February 19 with the following corrections: Meeting room: change from Board Room to Oak Room and representative of Baker & Lawson Engineering changed from Herb Smith to Robert Bagley. Director Carroll seconded the motion and the vote was unanimous.

#### G. SECURITY REPORT:

Nothing to report.

#### H. OPERATOR'S REPORT

1. Bacteriological samples were good.  
Met with NTS/installed rental pump @ lift station.  
Repaired sewer line on Edgewater  
Poured concrete driveway on Edgewater Drive and on Laurel Valley.  
Repaired leak at 214 Inwood  
Texas New Mexico laying new lines in subdivision. This should help with outages.  
Repaired Storm Drain on golf course behind house on Woodhaven.

Director Sassin made the motion to accept the Operators report. Director Pollard seconded the motion and the vote was unanimous.

#### I. ENGINEER'S REPORT

1. Director Carroll requested the other bids in conjunction with the Water Pump and Well Rehabilitation. Main difference between Felder and Layne bids was the proprietary motor rebuild by Layne. Felder bid include purchase of new American Turbine or Gould motor. Directors requested confirmation of cost to transport old motor from Layne shop to theirs.

Motion to accept Felder Water Well & Pump Service, LLC bid for \$65,000.00 made by Director Pollard, seconded by Director Sassin and the vote was unanimous.

I. ENGINEER'S REPORT CONT.

2. Every system that is connected to the District Water and Sewer System is responsible for the maintenance on that line. Mr. Reddy, the current owner of the Cottages was in attendance and stated that he would work with Mr. Bagley to identify the location of the water and sewer lines.

J. LEGAL

1. Standby fees of \$12,545.00 have accrued on the CBISD Trust properties prior to the purchase by MJ Reddy. The Board discussed the collection of these fees as the properties were developed and sold. Mr. Reddy informed the Board that he had paid both the proposed purchase price, as well as post judgment costs. He was sent a billing for the accrued Maintenance/Mowing fees for the CLHOA and Standby fees for VCUD. He requested a breakdown of the fees for each charge individually by lot.

2. Resolution to apply to TCEQ would be next step in application procedure.

K. PAYMENT OF BILLS

The Administrator distributed the list of bills to be paid with \$68,353.27 from the Operating Fund. Capital Projects Fund checks for \$10,419.70 and Debt Service Fund checks for \$2,224.69.

Director Pollard made a motion to approve the bills for payment, seconded by Director Sassin and the vote was unanimous.

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

(SEAL)

Debra Lanehart  
District Administrator