

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

April 15, 2015

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 Board Room at the Columbia Lakes Clubhouse, West Columbia, Texas within the boundaries of the District on the 15th day of April, 2015 at 9 am. 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: Paula Jones, 1st Capital Business Services; Morris Ryder, Ryder & Co.; Denise Kemp, City of West Columbia; Ray Sauer; and Philip and Geneva Voltz. All members except Rebecca Carroll were present, thus constituting a quorum.

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

A. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT

1. Paula Jones reported the collections for standby in March totaled \$5,985.00. The difference between the Standby Collections Report and the Cash Balances Report is from timing differences in deposits and/or credit card payments.

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

2. Denise Kemp presented the water and sewer billing and collections report.

Accountability for the month was 81% for read dates 2/14 – 3/20/2015. Total pumping reported by Ryder & Co. was 4,579,000 gallons pumped and consumption billed totaled 3,722,700 gallons.

STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT CONT.

The cut-off list was presented; cut-off for delinquent accounts is scheduled for April 28, 2015.

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

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

3. Director Gillenwaters spoke to Chief Wiggins about the CLVFD request to increase the voluntary donation on the water bills. The Chief has explained it is necessary to provide equipment for new crew members. The Directors expressed concern that by agreeing to bill the increase, the District is implying that they agree with the increase. Ray Sauer said that at the CLHOA meeting last night, it was announced that the increase had been approved. The question was asked about how to handle calls when people question the increase. Phone calls to stop the contribution will be handled by Denise: all other calls will be referred to CLVFD Chief Stan Wiggins.

Director Sassin made a motion to increase the fee from \$2/household to \$4/household per the request from CLVFD. District Administrator will send a letter to Denise authorizing the increase and providing the wording for the note on the bills. The motion was seconded by Director Pell. The vote was Pollard voting nay, Pell and Sassin voting aye, Gillenwaters abstained because a tiebreaker vote wasn't necessary.

B . OPERATOR'S REPORT

1. Bacteriological samples were good.
2. Levee inspection good.
3. North Ditch has settled over pipes where work was done. Brought in clay to level.
4. Ran pumps on 3/21/ 15 for 3.5" of rain.
5. Storm drains require lots of cleaning – live oak tree leaves. CLHOA has requested a cleaning.
6. Water tap on Wentworth.
7. Keeping up with mowing.
8. Twin Lakes East – water main break.
9. Investigated a couple of high water bill complaints. Due to resident leaks.
10. A 2" meter on Veranda for CL sprinkler is not working. A new meter has been ordered and will be installed when received. That will help with accountability numbers.

Discussion of manhole repairs: Standard Cement will send somebody for 2 days if we buy everything from them and they will show Morris and Ben how to do the repairs. Cost is \$2400/manhole (includes 5 gal. of chemical). Ryder can do them for about \$2000/manhole. Equipment required for the work will run approximately \$5000. Standard Cement will provide the training for \$3000. Options are: pay Standard Cement to do the

work; have Morris buy the equipment and he'll charge a flat rate based on time; or buy the equipment for Morris to use and he'll bill a lower flat rate. The advantage to having Morris do it is that repairs can be made whenever necessary. The disadvantage is the risk of injury to Morris and his employees.

Director Sassin made a motion to table action pending more financial details about the three options. Director Pollard seconded the motion and the vote was unanimous.

Director Gillenwaters questioned the vibration problem on well #1. Morris said it had been taken care of since the last meeting.

Ray Sauer informed the Board that the Architectural Control Committee approved 2 new homes last night and there are 2 more in the works. That will bring the total for 2015 to 6.

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

C. ENGINEER'S REPORT

Director Gillenwaters would like to look into getting well #2 reworked. Morris said Layne recommends reworking them every 10 years. Well #2 is currently about 30 years old. G & M Services inspects every year and has reported that well #2 is operating efficiently. On well #1, the seals were changed because of an oil leak. Because both wells pump into the same place, it's difficult to tell if both were leaking. Ryder is going to schedule G & M to inspect and the Board can determine what action to take based on the report. Sassin suggested we delay any work until fall because it's off-peak season.

D. ADMINISTRATOR REPORT

1. Paula Jones, assistant to the District Administrator, presented her report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts. Monies in the Texpool account that are interest are unencumbered. They have to be spent on projects associated with the original purpose of the bond, but the projects do not have to be approved by TCEQ. Administrator will provide exact amounts at the next meeting.

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

2. Motion to accept the tax report made by Director Pell, seconded by Director Sassin, and the vote was unanimous.

F. TRUST PROPERTIES

NONE

G. MINUTES

Director Pollard made the motion to accept the minutes from the March 18, 2015 regular meeting. The motion was seconded by Director Pell and the vote was unanimous.

H. SECURITY REPORT

NONE

I. LEGAL

NONE

J. PAYMENT OF BILLS

The Administrator distributed the list of bills to be paid with \$75,241.80 from the Operating Fund and \$280.00 from the Capitol Projects fund.

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

There being no other business to come before the Board, Director Pell made a motion to adjourn at 9:57, seconded by Director Sassin and the vote was unanimous.

(SEAL)

Paula Jones for
Debra Lanehart
District Administrator