

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

May 15, 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 15th day of May, 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; Don Womble, CLHOA Security; Denise Kemp, City of West Columbia, Clark Lord, Bracewell, LLP. 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.

Regular meeting called to order at 9:01

A. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Denise Kemp presented the water and sewer billing and collections report for the read dates of 3/17-4/17/18. Accountability for the month was 84% Pumpage was 5,415,000 and consumption was 4,504,700.

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

Director Sauer made a motion to accept the water and sewer reports, seconded

A. SEWER AND WATER BILLING AND COLLECTION REPORTS

Director Pell and the vote was unanimous.

Director Carroll made the motion to approve the cut off list, seconded by Director Pell the vote was unanimous.

2. The Administrator will request a current report from the City of West Columbia and identify the accounts to be moved to a noncollectable debt account.

Motion to leave the rate order as is made by Director Pell, seconded by Director Sauer and the vote was as follows: Directors Pell, Carroll and Sauer all voted Yes. Director Pollard voted No. The yes votes carried and the motion was approved.

B. SECURITY

Don Womble, CLHOA Security, reported that there has been a lot of ATV traffic on the Marina Levee. Mr. Chapman, the lakes owner has given permission to several people to fish in the lakes. Currently, there is not a means of putting a boat into the lakes without driving a vehicle on the VCUD protection levee. If Mr. Chapman continues to allow fishing in the lakes from a boat, an engineered access point will need to be installed on his property.

Mr. Womble informed the Board that the cameras were definitely useful in identifying unauthorized vehicles and people on the protection levee.

Motion to allow Mr. Womble to purchase cameras, cards and batteries for the cameras up to a \$500.00 limit made by Director Carroll, seconded by Director Pell and the vote was unanimous.

C. OPERATOR'S REPORT

1. Update on maintenance: December

- Bacteriological samples were good .
- Levee: Inspection good
- All screens replaced at East and West Pump Stations.
- Mowed and weeded pump stations and levee, North Ditch
- Cleaned storm drains
- Water leak at Freeman
- Repaired broken sewer line Twin Lakes
- Replaced manhole lid liners
- Replaced storm grates
- Water and Sewer Taps: Water=5 and Sewer=7 (Since last meeting)
- Good report from GM Services on Wells 1 & 2 inspection.

C. OPERATOR'S REPORT

2. All screens have been replaced at both the East and West Pump Stations.
3. Standard Cement has the repair of the manholes scheduled for May.

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

D. ENGINEER'S REPORT

1. Emergency Action Plan: 5-year Table Top exercise has been scheduled for May 23, 2018 in the Baker and Lawson Office at 300 E Cedar, Angleton, TX.

Motion authorizing Baker & Lawson to survey land around East Pump Station for purchase made by Director Carroll, seconded by Director Pell and the vote was unanimous.

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

E. LEGAL/FINANCIAL ADVISORS

1. Motion to apply to TCEQ for the full approved Bond amount of \$3.5 million made by Director Sauer, Seconded by Director Pell and the vote was unanimous.
2. Motion to approve Resolution Authorizing District's Engineer, Bond Counsel and Financial Adviser to prepare a bond application to be submitted to TCEQ made by Director Carroll, seconded by Director Pollard and the vote was unanimous.

F. ADMINISTRATORS REPORT

1. Debra Lanehart presented to Standby Collection reports for April 2018. April collections were \$4,285. Seven hundred thirty-five (735) accounts were billed standby for a total quarterly amount of \$11,025 on April 1, 2018.

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.

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

3. Tax Assessor/Collector's report for April was presented. Current year collections paid was \$15,448.51 and \$1,170.13 was paid for delinquent accounts.

F. ADMINISTRATOR REPORT CONT.

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

4. Budget Report for April 2018 was presented. Revenues to-date are \$272,197.87 or 34.4% of the Current Budgeted revenue amount of \$790,500. Expense to-date total \$293,244.50 or 37.1% of the Budgeted expenses amount of \$790,500.

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

5. Consumer Confidence Report: Debra Lanehart presented the Annual Drinking Water Quality Report for the Boards review.

Motion to approve the distribution and publication of the report on the VCUD website made by Director Pollard, seconded by Director Carroll and the vote was unanimous.

Director Carroll made the motion to set the Public Hearing on the CCR report for June 20th prior to the Regular Board Meeting at 9 am in the Oak Room at the Columbia Lakes Clubhouse. The motion was seconded by Director Pollard and the vote was unanimous.

5. Debra Lanehart provided list of checks with \$91,199.98 out of the Operating account to be approved.

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

G. MINUTES

Director Carroll made the motion to accept the minutes from the April 18, 2018 meeting as presented, seconded by Director Pell and the vote was unanimous.

H. TRUST PROPERTIES

NONE

Debra Lanehart
District Administrator

(SEAL)

SUPPLEMENTAL AGENDA ITEMS:

1. Motion to Adopt Order Canvassing Returns and Declaring Results of Bond Election (293 votes for and 34 votes against) made by Director Carroll, seconded by Director Pollard and the vote was unanimous.
2. Motion to Approve Certificate of Election made By Director Sauer, seconded by Director Pell and the vote was unanimous.
3. Motion to Approve the Sworn Statements, Bonds and Oaths of Office for newly elected directors made by Director Sauer, seconded by Director Pell and the vote was unanimous.
4. Motion to retain current Officer positions made by Director Sauer, seconded by Director Pell and the vote was unanimous.
5. Motion to Authorize filing the District Registration Form with TCEQ made by Director Sauer, seconded by Director Pell and the vote was unanimous.

Motion to adjourn made by Director Sauer, seconded by Director Carroll and the vote was unanimous.