

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

June 19, 2013

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 19th day of June, at 9 a.m. and the roll was called of the duly constituted officers and members of the Board, to-wit:

Ray D. Sauer	President
Gene Pell	Vice-President / Financial Director
James Gillenwaters	Secretary-Treasurer
Wayne Pollard	Asst. Secretary-Treasurer
Allan Sassin	Director

All members were present, except Director Pollard thus constituting a quorum.

Also present were the following: Debra Lanehart, 1st Capital Business Services; Denise Kemp, City of West Columbia; Morris Ryder, Ryder & Co.; Geneva West, CLHOA; Robert Bagley, Baker & Lawson

Director Sauer called the Regular Meeting of the Board of Directors to order.

A. TRUST PROPERTY: No bids were received for VCUD trust property.

C. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT

1. Debra Lanehart reported the collections for standby in May totaled \$1,233.00. The spreadsheet for VCUD/CLHOA collections contained an error in the formula, which will be corrected for the next report.

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

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

C. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT CONT.

Accountability for the month was 83% for read dates 4/18-5/20/13. Total pumping reported by Ryder & Co. was 5,298,000 and consumption totaled 4,437,200.

The cut-off list was presented; cut-off for delinquent accounts is scheduled for June 26, 2013.

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

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

3. Geneva West requested an abatement of the penalties paid by Dr. Voltz when reinstating the Swimming Pool Account previously under William Verkin's responsibility. A total amount of penalties paid was not available at the meeting. The Board tabled the request until the next meeting.

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

2. Certified Tax Assessor report for May 2013 was presented. Current year collections for the month were \$14,142.13 and delinquent collections for the month were \$1,124.90

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

3. Debra Lanehart presented the Board with an updated Application for Water Tap and Sanitary Sewer Service, which reflect any changes in procedures.

The motion was made to accept the updated Application as presented by Director Sassin, seconded by Director Pell and the vote was unanimous.

4. Commercial Property Tax Status Report: Debra Lanehart provided the Board with and updated tax status report by entity for consideration.

D. ADMINISTRATOR REPORT CONT.

5. Consumer Confidence Report: Debra Lanehart provided the Board with copies of the Annual Drinking Water Quality Report.

Director Pell made the motion to approve the report for distribution. Director Gillenwaters seconded the motion and the vote was unanimous.

6. A motion to set the Public Participation Discussion of the report for the July 17 regular meeting at 9:00 am was made by Director Sassin. Director Gillenwaters seconded the motion and the vote was unanimous.

7. 1996 Series Bond: Joe Morrow with First Southwest provided a summary outlining the ramifications of paying either \$125,000 or \$200,000 of principal on the 1996 Bond.

Director Pell made the motion to call the full 2016 principal maturity of \$125,000 and partial 2015 principal maturity of \$75,000 on the 1996 Series Bond in addition to the August 2013 principal payment of \$100,000 and interest payment of \$11,812.50. Director Gillenwaters seconded the motion and the vote was unanimous.

E. MINUTES

Director Gillenwaters made the motion to accept the minutes of the May 15th meeting as presented. Director Sassin seconded the motion and the vote was unanimous.

F SECURITY REPORT:

Nothing to report.

G. OPERATOR'S REPORT

1. Bacteriological samples were good.
2. Mowed N Ditch/weeded flap gate.
3. Replanted seed on bare spots on levee.
4. Mowed pump stations.
5. Checked manholes for leaks.
6. Repaired roof Chlorine Room (re-shingled).
7. Repair phosphate pump offsite.
8. Cut cane on Levee
9. Meet NTS to repair phone
10. Moved meter for Columbia Ranch
11. Meet with Jeta survey
12. Levee inspection: 2177 Riverside: homeowner using Roundup on Levee.
Administrator directed to send a copy of the Resolution regarding Levee to the homeowner.

G. OPERATOR'S REPORT CONT.

Robert Bagley presented a proposal from Standard Cement Materials, Inc. to purchase an injection pump, injection gun and all necessary products to seal manholes, as well as the cost of 3 days of training to use the equipment. The total cost quoted was \$3,941.00 in training cost and \$7,957.00 in equipment and repair materials.

Director Pell made the motion to identify the needed repairs to the manholes and sub-contract the work to Standard Cement Materials, Inc. Director Gillenwaters seconded the motion and the vote was unanimous.

Motion to accept the Operator's report as presented was made by Director Pell, seconded by Director Gillenwaters and the vote was unanimous

H. ENGINEER'S REPORT

Engineer not in attendance.

I. LEGAL

Lawyer not in attendance.

J. PAYMENT OF BILLS

The Administrator distributed the list of bills to be paid with \$62,054.25 from the Operating Fund and \$2,171.00 from the Prosperity Debt Service account for the 3rd quarter fees to Brazoria County Appraisal District for \$1,796 and Paying agent fees for Series 1996 Bond to Wells Fargo Bank.

Director Pell 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 Gillenwaters, and the vote was unanimous.

(SEAL)

Debra Lanehart
District Administrator