

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

August 21, 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 21st day of August, 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

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

Director Sauer was delayed due to a medical appointment. Director Pell started the meeting at 9:00am. Director Sauer arrived shortly after 9:00 am. All members were present, thus constituting a quorum.

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

B. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT

1. Debra Lanehart reported the collections for standby in July totaled \$2,635.00.

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

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

STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT CONT.

Accountability for the month was 82% for read dates 6/19-7/19/13. Total pumping reported by Ryder & Co. was 8,876,000 and consumption totaled 7,318,700.

The cut-off list was presented; cut-off for delinquent accounts is scheduled for August 27, 2013.

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

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

3. Debra Lanehart provided the Board with a report on the Water /Sewer Accounts Receivable balance. The report contained accounts that have been finalized (final reading of the meter, application of the deposit to the account balance and a final bill sent to account holder) but still have an outstanding balance due.

Director Pell made the motion to write-off any outstanding balance due that was older than January 2013. Director Gillenwaters seconded the motion and the vote was unanimous.

4. Ms. Day not in attendance so item tabled.

C. 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 Gillenwaters, unanimous approval.

2. Certified Tax Assessor report for July 2013 was presented. Current year collections for the month were \$9,913.52 and delinquent collections for the month were \$114.92.

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

3. Proposed Tax Rate for 2013

Motion to set the Debt Service Rate for 2013 at .830/\$100 property valuation made

ADMINISTRATOR REPORT CONT.

by Director Sassin. Director Pell seconded the motion and the vote was unanimous.

Motion to set the M&O tax rate for 2013 at .06/ \$100 property valuation made by Director Sassin, seconded by Director Gillenwaters and the vote was unanimous.

4. Public Hearing Date:

Motion to set the Public Hearing for the proposed tax rate for Thursday, September 5th at 7:00pm made by Director Sassin, seconded by Director Pollard and the vote was unanimous.

5. Auditor:

Motion to retain Kennemer, Masters and Lunsford for the 2013 audit made by Director Pell seconded by Director Pollard and the vote was unanimous.

D. MINUTES

Director Gillenwaters made the motion to accept the minutes as presented for the July 11th and July 17th meetings. Director Sassin seconded the motion and the vote was unanimous.

E SECURITY REPORT:

Nothing to report.

F. OPERATOR'S REPORT

1. Bacteriological samples were good.
2. Mowed N Ditch/weeded flap gate.
4. Mowed pump stations.
5. Checked manholes for leaks.
6. Repair water line chlorine room
7. Repair sewer tap Freeman, Shalimar.
8. Paint buildings at water plant
9. Change meter box Olympia
10. Repair water leaks: Green Meadows and Ridgewood, Sunset Oaks

Mr. Ryder to replace 2" water line on Atmore. The line runs deep under storm drain. He proposes to change to PVC and position the line above the storm drain. The estimated to complete the job was \$6,000.00 to \$10,000.00

OPERATOR'S REPORT CONT.

Motion to approve the water line replacement as described above made by Director Pell, seconded by Director Sassin and the vote was unanimous.

Motion to repair drive on Twin Lakes East at a cost of \$2,500 to \$3,000 made by Director Pollard, seconded by Director Pell and the vote was unanimous. The drive was removed to repair leak.

Directors requested an estimate from Mr. Ryder to replace approximately 300' of 8" water main line on Laurel Valley.

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

G. ENGINEER'S REPORT

1. Smoke testing: Engineer estimated cost to smoke test lines would be \$40,000.

Director Gillenwaters made a motion to proceed with smoke testing, starting with the most suspect lines for infiltration first. Director Pollard seconded the motion and the vote was unanimous.

2. Tank Repair: Tabled
3. Flood Plain Letter: Suggestion made to send out an e-mail to alert residents that the subdivision was out of the flood plain after the letter from FEMA has been issued.
4. Wastewater Treatment Plant: Tabled

Motion to accept the Engineers report made by Director Sassin, seconded by Director Gillenwaters and the vote was unanimous.

H. LEGAL

1. Deeds: Tabled
2. Levee Damage Case: Director Sauer reported that he was unable to get with the District Attorney on case status. He was told that the case was settled prior to Court date.
3. Security report written on Saturday, August 10 reported a vehicle on the levee. Contact with the resident letting him know that vehicle use was not allowed on the levee system. Director Sauer reported that he had spoken with the resident. No action would be taken at this time.

I. PAYMENT OF BILLS

The Administrator distributed the list of bills to be paid with \$64,299.67 from the Operating Fund. From the Debt Service Fund the following bills were paid:

PAYMENT OF BILLS CONT

\$3,500.00 to First Southwest for the District Continuing Disclosure Form, \$500.00 to Bank of New York Mellon for the Series 2007 Administrative Fee and \$500.00 to Bank of New York Mellon for the Series 2008 Administrative Fee.

Director Gillenwaters 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 Sassin made a motion to adjourn, seconded by Director Pollard, and the vote was unanimous.

(SEAL)

Debra Lanehart
District Administrator