

MINUTES OF  
REGULAR MEETING  
VARNER CREEK UTILITY DISTRICT

November 20, 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 16th day of October, at 9 a.m. and the roll was called of the duly constituted officers and members of the Board, to-wit:

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

Also present were the following: Debra Lanehart, 1<sup>st</sup> Capital Business Services; Denise Kemp, City of West Columbia; Morris Ryder, Ryder & Co.; Clark Lord, Bracewell & Guillani; Herb Smith, Baker & Lawson Engineering and Ray Sauer. All members were present, thus constituting a quorum.

Some items on the agenda were addressed out of order, but for ease of following the agenda the items were typed according to their place on the agenda.

- A. Becky Carroll took the Oath of Office and was officially sworn in.
- B. Board Reorganization:

Director Pell nominated Director Gillenwaters to serve as President of the Board. Director Carroll seconded this motion and the vote was unanimous.

Director Pollard nominated Director Pell to continue to serve as Vice-President / Financial Director. Director Carroll seconded the motion and the vote was unanimous.

Director Pell nominated Director Sassin to serve as Secretary of the Board. Director Pollard seconded the motion and the vote was unanimous.

Director Sassin nominated Director Pollard to serve as Assistant Secretary. Director Pell seconded the motion and the vote was unanimous.

C. TRUST PROPERTY:

The Board was provided a list of properties currently held by CBISD in Trust. The offer by Mr. M J Reddy for the properties on that list totaled \$182,256.95. The post-judgment fees totaled \$120,682.60.

Director Pell made the motion to accept the offer by Mr. Reddy for the list of properties provided by the Brazoria County Tax Office. Director Carroll seconded the motion and the vote was unanimous.

D. STANDBY, WATER AND SEWER BILLING AND COLLECTIONS REPORT

1. Debra Lanehart reported the collections for standby in October totaled \$2,196.00.

Director Pollard 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.

Accountability for the month was 88% for read dates 9/24-10/23/13. Total pumping reported by Ryder & Co. was 4,307,000 and consumption totaled 3,815,500.

The cut-off list was presented; cut-off for delinquent accounts is scheduled for November 25, 2013.

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

Director Pell made a motion to accept the water and sewer reports, seconded by Director Pollard, 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 Pell to accept the cash report as given, seconded by Director Pollard, unanimous approval.

2. Certified Tax Assessor report for October 2013 was presented. Current year (2013) collections for the month were \$24,343.24 and delinquent collections for the month

## ADMINISTRATOR REPORT CONT.

totaled \$3,690.00.

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

3. Update of signature cards at Prosperity Bank.  
Director Pell made the motion to remove Ray Sauer and add Rebecca Carroll as signatories on the Prosperity Bank accounts to reflect the change in the VCUD Board. The motion was seconded by Director band the vote was unanimous.
4. Debra Lanehart provided the Directors a 3-year Water/Sewer revenue review for upcoming Budget Workshop.
5. The Directors set Monday, December 9<sup>th</sup> at 9:30 am at the office of the District Administrator, 1<sup>st</sup> Capital Business Services, 310 E Brazos, West Columbia, TX for the annual Budget Workshop.
6. Section 14, page 9 of the District Rate Order contained a typographical error. The last sentence of the section currently reads: *“The cost of processing the irrigation permit is \$50.000 payable to the District in the form of cash, cashier’s check or money order, at the time of application.”*

Director Pell made the motion to correct the “\$50.000” to \$50.00. Director Sassin seconded the motion and the vote was unanimous.

## F. MINUTES

Director Sassin made the motion to accept the minutes as presented for the October 16 regular meeting. Director Pollard seconded the motion and the vote was unanimous.

## G. SECURITY REPORT:

Nothing to report.

## H. OPERATOR’S REPORT

1. Bacteriological samples were good.
2. Repaired leaks Mowed pump stations.
3. Mowed Levee.
4. Chopped cane and brush on levee
5. Flush hydrants and clean storm drains
6. Replaced 2” water line under road at Augusta Lane.

## H. OPERATOR'S REPORT CONT.

7. Ran Storm pumps on 10/31
8. TCEQ collected nitrate sample for Wells.

Mr. Ryder presented quotations from Layne Christensen Company for the pulling of the pumping equipment from well 1, haul complete pump to Layne's shop where it would be disassembled, cleaned and inspected. TV survey of all well casings and screen section after which recommendations would be made. The second quotation was for the pulling of the existing motor from booster pump from well No. 2. The pump would be transported to the Layne shop for tear down, inspection, cleaning, wash and bake Stator, replace bearings, balance rotor, replace heaters, assemble, test and paint.

Director Pell made the motion to accept both quotations (0129A) from Layne Christensen Company. Director Pollard seconded the motion and the vote was unanimous.

Director Pell made the motion to authorize Director Gillenwaters to approve repairs over the \$3,000.00 limit placed on the District Operator by contract, based on his best judgment. Director Pollard seconded the motion and the votes were unanimous.

Director Sassin made a motion to change Article 4 of the District Sewer Agreement to designate the President of the VCUD Board as having the power to authorize repairs over the \$3,000.00 limit placed on the District Operator. Director Pollard seconded the motion and the vote was unanimous.

The City of West Columbia, the billing/receiving agent for the District presented a list of meters to Mr. Ryder that need to be replaced, according to the meter reader from the City. The list contained approximately 20 individual meters. Each meter replacement cost the district approximately \$250.00.

Director Sassin made the motion to authorize the replacement of the meters by Ryder & Co. Director Pell seconded the motion and the vote was unanimous.

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

## I. ENGINEER'S REPORT

Smoke testing has been hampered by the amount of rain we have had recently. Manholes are showing cracks around the sides, resulting from being hit by the mowing equipment. Herb Smith provided pictures of the smoke testing in progress to the Board.

Sewer Treatment Plant: Herb Smith reported that the vendor would build the plant with the daily operations done by them as well as the billing/receiving. The District would have to sell bonds to build the plant.

J. LEGAL

1. Deeds: Clark Lord reported that he had met with the Title Company and they seemed responsive to the District position. He stated that he had done a follow-up after his meeting, but was told they were still gathering documents.

K. PAYMENT OF BILLS

The Administrator distributed the list of bills to be paid with \$69,162.84 from the Operating Fund. From the Capital Projects Fund: \$3,362.75 to Baker & Lawson for smoke testing project.

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

Director Pell made the motion to purchase a 2-year CD in the amount of \$75,000.00 from the Operating funds and a 2-year CD from the Debt Service funds for \$95,000.00 from Lone Star Bank. Director Pollard seconded the motion and the votes were 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