

MINUTES OF  
REGULAR MEETING  
VARNER CREEK UTILITY DISTRICT

December 21, 2016

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 21st day of December, 2016 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, 1<sup>st</sup> Capital Business Services; Ben Ryder, Ryder & Co.; Clark Lord, Bracewell, LLC; Joe Morrow, First Southwest; Robert Bagley and Herb Smith, Baker & Lawson Engineering. All members were present, thus constituting a quorum.

Some items on agenda were discussed out of order, but are being reported in the order the agenda set forth.

Allan Sassin called the meeting to order at 9:00am.

A. STANDBY, SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Debra Lanehart reported the collection of standby fees in November totaled \$6,135.00.

Director Pell made the motion to accept the standby collection report. Director Carroll seconded the motion and the vote was unanimous.

2. Debra Lanehart presented the water and sewer billing and collections report for the read dates of 10/22-11/16/16. Accountability for the month was 96%. (pumped 3,954,000 and consumption 3,787,300).

The cut-off list was presented; cut-off for delinquent accounts is scheduled for

## STANDBY, SEWER AND WATER BILLING AND COLLECTION REPORTS CONT.

December 29, 2016.

Director Carroll made a motion to approve the cut-off list, seconded by Director Sauer 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.

### OPERATOR'S REPORT

1. Update on maintenance:
  - a. Bacteriological samples were good .
  - b. Levee inspection good
  - c. Sewer taps: Ridgewood
  - e. Water taps: Mossy Meadow, Ridgewood, Wellshire
  - f. Repaired storm sewer pipe at E Pump Station
  - g. Mowed and weeded pump stations and levee, North Ditch
  - h. Prepared for TCEQ Inspection

There is a water line leak located between booster pump and water line. The process will take several hours to repair. A boil water notice is required when pressure drops to below 20 lbs. Of pressure. Operator suggests doing the repair around midnight when usage is lowest. FelderWater Well & Pump Services LLC offered estimates of repair/patch for \$600.00 and build new water header for \$4,500 (installation not included). Motion to proceed with fabrication of new water header made by Director Pell, seconded by Director Sauer and the vote was unanimous.

2. Pump #1 is out and in the repair shop in San Antonio for fitting of old head to new pump. Scheduled to be sent back to Felder on December 21<sup>st</sup>.
3. Motion to schedule tank cleaning made by Director Pell, seconded by Director Pollard and the vote was unanimous.
4. TCEQ 3-year inspection/audit was good.

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

#### D. ENGINEER'S REPORT

1&2. Robert Bagley provided the Board with printout summary of ongoing projects. The LMNO Engineering Model was based on flow rate of 2.0 gallons per minute per connection. The Texas Administrative Code has a minimum pressure requirement of flow rates of at least 1.5 gallons per minute per connection. With this change, the criteria of 35 psi at all points within the distribution network would be met.

3. Addressed last month.

#### E. ADMINISTRATOR REPORT

1. 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 Carroll and the vote was unanimous.

2. Tax Assessor/Collector's report for November was presented. The Current year collections totaled \$63,234.24. Prior period collections totaled \$7,212.38.

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

3. Budget Report for November 2016 was presented. Revenues to-date are \$617,626.48 or 95% of the Current Budgeted revenue amount of \$647,520. Expense to-date total \$619,825.17 or 95% of the Budgeted expenses amount of \$647,520.

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

4. 2016 Budget Revised: Board reviewed 2016 Budget and revised according to attached report of changes.
5. 2017 Budget: Board reviewed Proposed 2017 Budget workshop numbers.

Motion to adopt 2017 Budget made by Director Pell, seconded by Director Pollard and the vote was unanimous.

6. Motion to approve the Amended Rate Order with the changes to tap fees and new water and sewer rates made by Director Pollard, seconded by Director Carroll and the vote was unanimous.
7. Motion to approve the posting of the new rates on website and memo to be mailed to builders of the changes to water/sewer tap rates made by Director Pell, seconded by Director Pollard and the vote was unanimous.

F. TRUST PROPERTIES

NONE

G. MINUTES

Director Sauer made the motion to accept the minutes as presented, seconded by Director Carroll and the vote was unanimous.

H. SECURITY REPORT

None

I. LEGAL

1. Sewer Plant Contract with City of West Columbia. No updates.
2. Joe Morrow gave the Board a report on the current Bond Market.  
Motion to continue with the Refinancing of the 2007 and 2008 Bond Series preliminary action made by Director Pell, seconded by Director Sauer and the vote was unanimous.
3. Work on the Standby Renewal Application will begin in January. Administrator's office will begin preparing the necessary documents for the application and forward them to Clark Lord when completed.

J. PAYMENT OF BILLS

Debra Lanehart distributed the list of bills to be paid with \$61,226.04 out of Operating Funds. One checks was presented out of Debt Service Funds totaling \$1,562.00 for Brazoria County Appraisal District for the quarterly tax levy collection.

Director Pollard made the motion to pay bills as presented, seconded by Director Sauer and the vote was unanimous.

There being no other business to come before the Board, Director Pollard made a motion to adjourn. The motion was seconded by Director Sauer and the vote was unanimous.

Debra Lanehart  
District Administrator

(SEAL)

