

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §
COUNTY OF GALVESTON §
GALVESTON COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 12 §

The Board of Directors of Galveston County Water Control & Improvement District No. 12 (the “District”) met in regular session, open to the public, at its regular meeting place inside the boundaries of the District, on July 13, 2015; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Ed Linck	President
Linda Merryman	Vice President
Nancy McDonald	Secretary
Terri Gale	Assistant Secretary
Greg Collins	Assistant Secretary

All members of the Board of Directors were present.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Ed Holdgraf of Municipal District Services, LLC; David Ferrier of ETI Bookkeeping Services; Wallace Trochesset of LJA Engineering; Scott Gale, and Doug Roberts, residents.

Whereupon, the President called the meeting to order and evidence was presented that public notice of the meeting was given in compliance with the law.

1. **PUBLIC COMMENTS.** Doug Roberts addressed the Board and explained the operator’s office assessed a \$2,400 tap fee for a connection to the District’s system. Ed Holdgraf explained this is a situation like the Sandbar Restaurant: the connection was broken long ago (since 2007), and is no longer usable, so the District is treating this as a new

connection. Shirley _____, a resident of South Kemah stated she had attended the last meeting of the Kemah City Council, where there was a discussion of the City not receiving information about new customers. Director Merryman stated the District does indeed inform the City of new customers.

2. **DIRECTOR ANNOUNCEMENTS.** Director Gale discussed the Water Committee which Mayor Carl Joiner is convening; all members will be taking information back to the City councils and EDC's. The next meeting will be on Monday July 20th. Director McDonald stated she attended the AWBD conference in Corpus Christi, which she found to be poor in several respects; she stated El Nino should be here through the end of the year.

3. **MEETING MINUTES.** The Board considered the minutes for the meetings of June 8, 2015. Following further discussion, it was moved by Director Merryman and seconded by Director Collins that the minutes be approved, which motion passed unanimously, 5-0.

4. **BOOKKEEPER'S REPORT.** David Ferrier presented the bookkeeper's report, a copy of which is attached as Exhibit "A". The Board reviewed the checks, investments, budget, and energy usage for the month of June. He reviewed the use of bond proceeds and the budget; he noted the District is currently ahead of its projected budget.

Following further discussion, it was moved by Director Gale and seconded by Director Merryman that the bookkeeper's report, and those checks as listed thereon be approved, which motion passed unanimously, 5-0.

5. **OPERATOR'S REPORT.** Ed Holdgraf presented the operator's report, a copy of which is attached as Exhibit "B". There were 1681 customer connections and no excursions at the wastewater treatment plant. He stated the wastewater treatment plant was compliant with its permit. Water accountability was at 81.1%; the low number was likely due the recent rains

affecting the timing of the meter reading. The wastewater treatment plant operated at 73% of capacity. He reviewed the preventative maintenance schedule.

Mr. Holdgraf discussed the upcoming inspection of the water plants by TCEQ on July 21st. He discussed the GCWA and stated the reservoirs are full and even releasing water, due to the heavy rains. He stated the GCWA will be looking to purchase more water for next year. Mr. Holdgraf discussed the budget increase for the District, as a member of the GCWA: \$138,417.27, due to maintenance and repair costs, and the purchase of additional water. He stated the District is at the end of the water supply line, so it must pay a pro-rata share of the entire system. He stated all information about the maintenance costs are posted on the GCWA website.

Following further discussion, it was moved by Director Collins and seconded by Director Gale that the operator's report be approved, along with the items presented, which motion carried unanimously, 5-0.

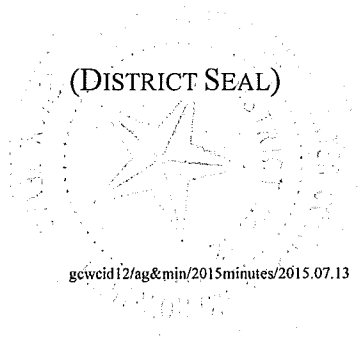
6. **ENGINEER'S REPORT.** Wallace Trochesset presented the engineer's report, a copy of which is attached as Exhibit "C". He discussed the sanitary sewer rehabilitation project and the Kipp Street Lift Station, for which he is seeking a 3rd estimate for extending the force main, as the first two were unusually high. He discussed the League City Interconnect and the issues of potential water demand limits; Chris Richardson stated there may be some confusion as emergency interconnects usually would not contain flow restrictions. Mr. Trochesset discussed a capacity request for 3 connections' of water, or 1,833 gallons per day, for "Playful Pawz", an 88 unit dog boarding facility. He noted the property would need to be annexed.

Following further discussion by the Board it was moved by Director Gale and seconded by Director McDonald that the engineer's report be approved along with the items presented; the motion passed unanimously, 5-0.

8. **INTERLOCAL AGREEMENT – WATER WISE.** The Board considered approval of an interlocal agreement with Harris Galveston Subsidence District for participation in the Water Wise program; the program entails sponsoring education materials for the local elementary school. Following further discussion by the Board it was moved by Director Gale and seconded by Director Merryman that the interlocal agreement with HGSD be approved; the motion passed unanimously, 5-0. A copy of the agreement is attached as Exhibit “D”.

9. **ADJOURNMENT.** There being no further business, it was moved by Director Merryman, seconded by Director McDonald and unanimously carried that the meeting be adjourned.

PASSED, ADOPTED and APPROVED this 10th day of August, 2015.



Nancy McDonald
Secretary