

**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 November 9, 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 except Director Merryman.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Ed Holdgraf of Municipal District Services, LLC; Michelle Lofton of ETI Bookkeeping Services; Wallace Trochesset, of LJA Engineering; Scott Gale, resident and a representative of Lazy Bend HOA.

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.** The representative of the Lazy Bend HOA indicated his attendance was to facilitate coordination with the District’s engineer, on upcoming projects in Lazy Bend.

2. **BOARD MEMBER ANNOUNCEMENTS.** Director Collins thanked the consultants for their work and reports, provided prior to the meetings. Director Gale updated the Board and stated MUD 51 will likely be dissolved and League City may provide water to the tract, with the District possible providing wastewater treatment.

3. **MEETING MINUTES.** The Board considered the minutes for the meeting of October 12, 2015. Following further discussion, it was moved by Director Collins and seconded by Director Gale that the minutes be approved, which motion passed unanimously, 4-0.

4. **BOOKKEEPER'S REPORT.** Michelle Lofton 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 past month. She reviewed the use of bond proceeds and the budget; she noted the District is currently ahead of its projected budget. Ms. Lofton also presented and discussed the proposed budget for the fiscal year ending December 31, 2016; the Board reviewed and tabled the matter. President Linck noted the prices paid for District work on Vivian St. seemed high; Wallace Trochesset stated he will have more specific numbers for the budget next month.

Following further discussion, it was moved by Director Gale and seconded by Director Collins that the bookkeeper's report, and those checks as listed thereon be approved, which motion passed unanimously, 4-0.

5. **OPERATOR'S REPORT.** Ed Holdgraf presented the operator's report, a copy of which is attached as Exhibit "B". There were 1,683 customer connections. He stated the wastewater treatment plant experienced no permit excursions. Water accountability was at 94.5%. He reviewed the preventative maintenance schedule. Mr. Holdgraf noted the GCWA representatives are all pleased with the amount of recent rainfall during El Nino. Following a discussion of the Kemah Community Development Block Grant, it was motioned by Director Gale

and seconded by Director Collins to authorize President Linck to sign all necessary documents to effectuate the grant.

Following further discussion, it was moved by Director Gale and seconded by Director Collins that the operator's report be approved, along with the items presented, which motion carried unanimously, 4-0.

6. **ENGINEER'S REPORT.** Wallace Trochesset presented the engineer's report, a copy of which is attached as Exhibit "C". He discussed the Kipp Lift Station and requested authorization for Pay Estimate No. 4 in the amount of \$46,740. He also presented the contract for the odor control prevention measures. He discussed the Vivian St. Water Plant and noted the bid from \$430,000 seemed high, and he requested authority to re-bid the project.

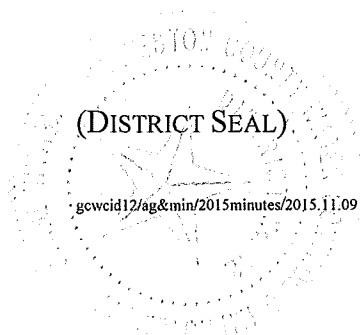
Following further discussion by the Board it was moved by Director Gale and seconded by Director McDonald that the engineer's report be approved along with the items presented; the motion passed unanimously, 4-0.

7. **KVFD REPORT.** The Board reviewed the KVFD report. There were 83 calls in the District; 48 were EMS calls. Director Gale informed the Board the grant for the bunker gear was not approved, and the department is preparing for its ISO Audit and Rating.

8. **TAX ASSESSOR'S REPORT.** Chris Richardson presented the Galveston County Tax Assessor's report for September, a copy of which is attached as Exhibit "D".

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

PASSED, ADOPTED and APPROVED this 7th day of December, 2015.




Secretary