

**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 June 8, 2015; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Ed Linck	President
Bill Kerber	Vice President
Nancy McDonald	Secretary
Terri Gale	Assistant Secretary
Linda Merryman	Assistant Secretary

All members of the Board of Directors were present except Director Gale.

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; Karen Sears of Acclaim Energy.

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. QUALIFY NEW DIRECTOR; CONSIDER ELECTION OF OFFICERS.**

Chris Richardson administered the oath of office for Director Collins, noted that he had been appointed by the Board at the prior meeting, and qualified him for office. The Board next considered the election of officers. Following a discussion, it was moved by Director McDonald

and seconded by Director Collins to elect Director Merryman as Vice President and Director Collins as Assistant Secretary, with the other director positions remaining the same, which motion carried unanimously, 4-0.

2. **DIRECTOR ANNOUNCEMENTS.** Director Collins announced his excitement to serve the community as a Director.

3. **MEETING MINUTES.** The Board considered the minutes for the meetings of May 11, 2015, and May 29, 2015. Following further discussion, it was moved by Director Merryman and seconded by Director McDonald that the minutes be approved, which motion passed unanimously, 4-0.

4. **ACCLAIM ENERGY / EXTENSION OF ELECTRICITY CONTRACT.** Karen Sears presented a report from Acclaim Energy. She noted there are two years left on the District current contract for electricity, and proposed that the District “lock in” the current low electricity rates by adding 3 years to the end of the contract. Following a discussion, the Board decided to add 36 months to the contract, with MP2 Energy as the supplier. It was moved by Director Merryman and seconded by Director McDonald that contract extension be approved, which motion passed unanimously, 4-0.

5. **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 month of May. She reviewed the use of bond proceeds and the budget; she noted the District is currently ahead of its projected budget.

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

6. **OPERATOR'S REPORT.** Ed Holdgraf presented the operator's report, a copy of which is attached as Exhibit "B". There were 1680 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 95%; the wastewater treatment plant operated at 56% of capacity. He reviewed the preventative maintenance schedule.

Mr. Holdgraf discussed the lift station on Kipp, which was cleaned and paid for by the Kemah Boardwalk, along with the sewer lines. He discussed the GCWA meeting and stated there is very good water supply and no shortage expected after the recent rains. He stated the altitude valves should be in place on the District's tanks by the end of July.

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

7. **ENGINEER'S REPORT.** Wallace Trochesset presented the engineer's report, a copy of which is attached as Exhibit "C". He presented Pay Estimate No. 2 for the Sanitary Sewer Rehabilitation Project in the amount of \$20,750.85. Following further discussion by the Board it was moved by Director Merryman and seconded by Director Collins that the engineer's report be approved along with the items presented; the motion passed unanimously, 4-0.

8. **TAX ASSESSOR'S REPORT.** Chris Richardson presented the Galveston County Tax Assessor's reports for April and May, copies of which are attached as Exhibits "D" and "E", respectively. Director Merryman noted the tax collections are up to 97%.

Following further discussion by the Board it was moved by Director Merryman and seconded by Director McDonald that the Tax Assessor's Reports be approved; the motion passed unanimously, 4-0.

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 13th day of July, 2015.

(DISTRICT SEAL)

gcwcid12/ag&min/2015minutes/2015.06.08

  
Secretary