

**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 October 8, 2018; whereupon, the roll of the members of the Board of Directors was called, to-wit:

Theresa L. Gale	President
Peyton Lumpkin	Vice President
Doug Meisinger	Secretary
Ronald M. Richards	Assistant Secretary
Paul B. Boswell	Director

All members of the Board of Directors were present.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Ed Holdgraf, and Johnny Bellamy of Municipal District Services, LLC; Kandy Pfeffer of ETI; Wallace Trochesset of LJA Engineering; and Glen Gordy and Matt Wiggins, residents; and the Honorable Mayor of Kemah.

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

1. PUBLIC COMMENTS. Glen Gordy stated his plat should be recorded by the end of the year. Matt Wiggins updated the Board on the Fire Department costs and the EMS costs, which he stated were looming. He stated Galveston County would likely place an ambulance in

Kemah, and that cooperation with Kemah and the District is needed. He stated he would recommend some cooperation with League City, perhaps as the 24 hour responder, keeping the KVFD for peak time. He noted League City makes due with 3 full time employees while the KVFD has seven.

2. **BOARD MEMBER ANNOUNCEMENTS.** Director Lumpkin cheered for the Astros' success; Director Gale noted Halloween is coming.

3. **MINUTES.** The Board considered the minutes for the meeting of September 10, 2018. Following discussion, it was moved by Director Meisinger and seconded by Director Boswell that the minutes be approved, which motion passed, 5-0.

4. **BOOKKEEPER'S REPORT.** Kandy Pfeffer reviewed the bookkeeper's report, a copy of which is attached as Exhibit "A". She reviewed the use of bond proceeds, the checks for payment, investments, budget, and energy usage for the past month. She noted she would be moving bank funds to Central Bank and she presented signature cards and other documents for the transfer, for signature. Following further discussion, it was moved by Director Lumpkin and seconded by Director Richards that the bookkeeper's report, and those checks as listed thereon be approved, along with the items discussed, 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 1,743 customer connections. Water accountability was at 91.2%; the wastewater treatment plant reported no permit excursions and ran at 45.1% of capacity. Mr. Holdgraf reviewed the preventative maintenance schedule and noted the many repairs. He stated there had been an inspection of the tanks by the TCEQ. He reviewed the fire hydrant inspection report and noted the expensive maintenance costs. He stated 10 or 11 of the hydrants are too difficult to operate and need repairs at a cost of \$4,800, which the Board approved. He stated the bar screen at the wastewater treatment plant had been pulled; he stated about every

6 years the bearings wear out and require an expensive fix. He asked for an agenda item for an increase in the operator's base rate and labor rates.

Following further discussion, it was moved by Director Meisinger and seconded by Director Richards 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 TxDOT requirement for casing of the District lines at five existing crossings of SH 146, and the Fire Station Well Rehabilitation. He discussed the Interruptible Service Well; he stated the Elks Lodge has denied the work space.

Mr. Trochesset discussed the expansion of the wastewater treatment plant and stated the TCEQ has approved the project and he is now waiting on the final permit for the plant in order to proceed. He discussed Lift Station K near the Boardwalk.

Mr. Trochesset discussed the Kemah Marketplace development. He stated the developers say they are building a fire suppression tank.

Mr. Trochesset discussed the Watkins capacity and easement issue. He stated he has been told the easement for the plant outfall on this tract would "kill" the project; Mayor Joiner urged the Board to consider other options, and he noted the Bay Foundation might allow such an easement.

Mr. Trochesset discussed requests for capacity. The Board approved the commitment for Kyle Hockersmith's request for one connection at 411 Pine in Clear Lake Shores. Mr. Trochesset discussed the plans he received from the "Hamdy" hotel group; he stated they are seeking 75 connections which the District does not have, for an out-of-District hotel. Director Gale noted the District does not have the connections and would require annexation and participation in the plant expansion. Mr. Trochesset stated Kemah will not allow the construction to begin without a

commitment of capacity from the District. He stated there will not be sewer capacity until the plant expansion is complete in 2020.

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

7. **KVFD REPORT.** The Board reviewed the report on KVFD activities.

8. **ADJOURNMENT.** There being no further business, it was moved by Director Lumpkin, seconded by Director Richards and unanimously carried that the meeting be adjourned.

PASSED, ADOPTED and APPROVED this 12th day of November, 2018.

(DISTRICT SEAL)

gewcid12/minutes/2018.10.08


Secretary