

**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 21, 2019; whereupon, the roll of the members of the Board of Directors was called, to-wit:

Matthew D. Wiggins	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, attorney, and Stephanie Nagel, legal assistant, of Strawn & Richardson, P.C.; Johnny Bellamy of Municipal District Services, LLC; Kandy Pfeffer of ETI Bookkeeping Services; Wallace Trochesset of LJA Engineering; Brent Hahn of KVFD; David Smalling of Robert W. Baird & Co.; Frank Stutzman; and Clay Morrison.

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. Frank Stutzman addressed the Board asking for 35 water and sewer connections for his property along SH 96 and Anders Lane. He currently has 20 connections. Clay Morrison addressed the Board asking for 54 taps for a RV Park that is outside the District boundaries.

2. **BOARD MEMBER ANNOUNCEMENTS.** There were no announcements at this time.

3. **MINUTES.** The Board considered the minutes for the meeting of September 16, 2019. Following discussion, it was moved by Director Boswell and seconded by Director Lumpkin that the minutes be approved, which motion passed unanimously, 5-0.

4. **APPROVE PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE.** The Board discussed the approval of the Preliminary Official Statement and related documents. David Smalling presented the Preliminary Official Statement for review and approval. He stated the bond sale date is scheduled for November 18, 2019 and the closing date is scheduled for December 19, 2019. The Board also considered approval of the Rule 15c2-12 Certificate. Following further discussion, it was moved by Director Meisinger and seconded by Director Richards to approve the Preliminary Official Statement, Rule 15c2-12 Certificate, and to authorize publication of the Notice of Sale, which motion carried unanimously, 5-0.

5. **BOOKKEEPER'S REPORT.** Kandy Pfeffer presented the bookkeeper's report, a copy of which is attached as Exhibit "A". She reviewed the use of bond proceeds and other matters in the report. The Board reviewed the checks, investments, budget, and energy usage for the past month. Ms. Pfefffer presented a draft budget for fiscal year ending December 31, 2020 for the Board's review.

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.

6. **OPERATOR'S REPORT.** Johnny Bellamy presented the operator's report, a copy of which is attached as Exhibit "B". There were 1,753 customer connections. Water accountability was at 90.1%. The Wastewater Treatment Plant had an E.coli excursion and ran

at 88.9% of capacity. Mr. Bellamy reviewed the preventative maintenance schedule and reviewed the repairs.

Mr. Bellamy reported the blowers at the Wastewater Treatment Plant stopped working. He stated replacement blowers will cost approximately \$16,000.

Mr. Bellamy presented two accounts to be written-off and sent to collections.

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

7. **ENGINEER'S REPORT.** Wallace Trochesset presented the engineer's report, a copy of which is attached as Exhibit "C". He presented for approval a Change Order for the Interruptible Service Well, which extends the contract 60 days.

Mr. Trochesset presented for approval Pay Estimate No. 3 from R&B Group, Inc., in the amount of \$325,980.72, for the 0.50 mgd expansion for the Wastewater Treatment Plant.

Mr. Trochesset discussed the Birch Road Utility Bridge. He stated he spoke with the County Engineer who suggested a possible Interlocal Agreement to bid the District's utility relocation with the roadway bridge project.

Mr. Trochesset updated the Board on the status of the easements for the Wastewater Treatment Plant outfall. He reported Mr. Warren Sullins' easement has been recorded. Mr. Trochesset stated the last item needed for the Galveston Bay Foundation easement is language for a 10-foot temporary construction easement that will go along the permanent 20-foot utility easement.

Mr. Trochesset next discussed requests for capacity. The Board approved the commitment for John Stergion for 1 sewer tap at 711 Kipp for a restroom in an existing storage facility. The Board did not approve the commitment for Frank Stutzman for an additional 35

connections for his property along SH 96. The Board approved the commitment for Ed Waters for 1 water connection for a boat dock located at 1114 North Shore. The Board did not approve the commitment for Clay Morrison for 60 taps for an RV Park at 2514 Anders Lane, out of District. The Board approved the commitment for Jessica Means, at 200 West 4th Street, for 1 single-family residence connection, in District.

Mr. Trochesset stated there are 29 total connections left. Director Lumpkin stated the District cannot supply any more out-of-district requests and the District cannot supply any large capacity requests. The Board discussed, at length, how to acquire more water capacity.

Following further discussion by the Board it was moved by Director Meisinger and seconded by Director Lumpkin that the engineer's report be approved, to approve the Change Order for the Interruptible Service Well, and to approve Pay Estimate No. 3 for the Wastewater Treatment Plant expansion, which motion carried unanimously, 5-0.

8. KVFD REPORT. Brent Hahn presented the KVFD report for the Board's review, a copy of which is attached as Exhibit "D". He reported they received 74 calls, 19 fire calls and 41 EMS calls. Mr. Hahn stated Joe Murray of the Fire Marshall's office is leaving KVFD and going to the City of Galveston.

The Board next considered agreements for KVFD vehicles. The Board agreed if the Title is in the District's name it will sell the Squad 3 truck.

Following further discussion, it was moved by Director Meisinger and seconded by Director Boswell that the KVFD report be approved, and to authorize to sell the Squad 3 truck at auction if the Title is in the District's name, which motion carried unanimously, 5-0.

9. TAX ASSESSOR'S REPORT. The Board reviewed the tax assessor's report for September from Galveston County; no action was taken.

10. FUTURE AGENDA ITEMS. There were no future agenda items requested.


CLOSED SESSION. The Board held an executive session to discuss a personnel issue and confer with its attorney. The Closed session began at 8:00 p.m. and the Board reconvened in open session at 8:25 p.m.

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

PASSED, ADOPTED and APPROVED this 18th day of November, 2019.

(DISTRICT SEAL)

gcwcid12/minutes/2019.10.21


Secretary