

**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 January 20, 2020; 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, of Strawn & Richardson, P.C.; Johnny Bellamy of Municipal District Services, LLC; Kandy Pfeffer of ETI Bookkeeping Services; Wallace Trochesset of LJA Engineering; Rob Steckler of KVFD; and John Bowen, Frank Ball and Glen Gordy.

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.** John Bowen, a representative from Elite Diesel Service addressed the Board regarding the fire fee. The representative stated his fire fee

increased to \$500 per month. Director Wiggins explained the fire charge was voted on in 2000. He stated \$10.00 per unit is the charge and Mr. Bowen's commercial account should have been paying by square footage. Director Wiggins added that many commercial customers were undercharged for many years and no one is exempt from the fees, not even the City. He stated approximately 40% of the assessment fees changed.

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

**3. CONSIDER AMENDING RATE ORDER.** Chris Richardson presented for the Board's approval an Amendment to the Rate Order, a copy of which is attached as Exhibit "A". He discussed the changes to Appendix B of the Rate Order. Director Wiggins explained the reasons for the changes. He stated Galveston County MUD No. 51 is requesting 200 more connections, there are requests from outside the District for 1,100 more connections, and there are requests from inside the District for 1,000 more connections. Director Wiggins added that the District should have new customers pay their fair share, like Galveston County MUD No.51 agreed to do and how older customers paid through taxes. He stated higher density uses are coming. Wallace Trochesset stated he and Director Wiggins produced a spreadsheet of projected growth. He stated even with expansion of the facilities the District has a looming shortage of capacity. Director Wiggins stated the amended connection fees are \$3,500 for water, \$3,500 for sewer and \$1,000 for fire per connection. He stated the District has re-rated the capacities as best as it can, but the District does not have capacity to give without collecting money to offset the costs. He added the District must do something in order address the growth.

Following further discussion, it was moved by Director Meisinger and seconded by Director Richards to approve amending the water, sewer and fire connection fees in Appendix B of the Rate Order, which motion carried unanimously, 5-0.

4. **MINUTES.** The Board considered the minutes for the meeting of December 16, 2020. Following discussion, it was moved by Director Meisinger and seconded by Director Lumpkin that the minutes be approved, which motion passed unanimously, 5-0.

5. **BOOKKEEPER'S REPORT.** Kandy Pfeffer presented the bookkeeper's report, a copy of which is attached as Exhibit "B". 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. Director Lumpkin asked how residential property versus commercial property is determined. Johnny Bellamy stated in February 2019 they walked every property to verify if it's residential or commercial.

Following further discussion, it was moved by Director Meisinger and seconded by Director Boswell 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 "C". There were 1,754 customer connections. Water accountability was at 87%. The Wastewater Treatment Plant was compliant and ran at 47.4% of capacity. Mr. Bellamy reviewed the preventative maintenance schedule and reviewed the repairs.

Mr. Bellamy presented the contract with Evoqua concerning odor control at the Wastewater Treatment Plant. He informed the Board the contract amount is \$80,500 per year and it covers chemicals and maintenance. Director Lumpkin discussed the need for odor control.

Following further discussion, it was moved by Director Lumpkin and seconded by Director Meisinger to cancel the contract for odor control at the Wastewater Treatment Plant, which motion carried unanimously, 5-0.

Mr. Bellamy presented the delinquent list for the Board's approval.

Following further discussion, it was moved by Director Richards 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 "D". He presented for approval Pay Estimate No. 8, in the amount of \$215,398.72 for the Interruptible Service Well project. Mr. Trochesset stated the final walk-thru is complete and the contractor is addressing the final punch list items.

Mr. Trochesset presented for approval Pay Estimate No. 6 from R&B Group, Inc., in the amount of \$223,311.75, for the 0.50 mgd expansion for the Wastewater Treatment Plant.

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, the Galveston Bay Foundation easement has been recorded, and he will make a counter-offer on Mr. Tinkle's easement.

Mr. Trochesset reported the exhibit and metes and bounds for the waterline easement along SH 146 from Cien to Solomon has been completed. He stated he will provide the attorney the information for preparing the easement.

Mr. Trochesset next discussed requests for capacity. He presented a request from Bob Avery for 8 connections for a Mister Carwash along FM 518. He stated the property is outside the District and the District does not have the capacity. The Board approve the capacity request.

Mr. Trochesset next presented a request for a capacity from Phil Yates for 1 single-family connection at 824 Dogwood. The Board approve the capacity request.

Mr. Trochesset presented a request from Mark Musemeche for 148 water connections for a senior living facility on FM 518. He stated the tract is outside the District and has already been approved for 148 sanitary sewer connections. The Board approved the 148 water connections contingent upon a signed annexation agreement without reimbursement.

Mr. Trochesset also presented a request from Frank Stutzman for 55 more connections. The Board approve the capacity request.

Following further discussion by the Board it was moved by Director Richards and seconded by Director Lumpkin that the engineer's report be approved, to approve Pay Estimate No. 8 for the Interruptible Service Well project, and to approve Pay Estimate No. 6 for the Wastewater Treatment Plant expansion, which motion carried unanimously, 5-0.

**8. KVFD REPORT.** Rob Steckler presented the KVFD report for the Board's review, a copy of which is attached as Exhibit "E". He reported they received 48 total calls, 27 fire calls, and 22 first responder calls.

Mr. Steckler also reported the ESB held an election for fire department representatives. He stated Travis Hudson is a new member who will represent KVFD.

Following further discussion, it was moved by Director Meisinger and seconded by Director Lumpkin that the KVFD report be approved, which motion carried unanimously, 5-0.

**9. TAX ASSESSOR'S REPORT.** The Board tabled this item.

**10. DELINQUENT TAX PENALTY.** Chris Richardson presented to the Board a Resolution Authorizing Delinquent Tax Penalty, a copy of which was attached as Exhibit "F". Mr. Richardson explained the Resolution allows the District to attach the collection penalty on

personal property accounts beginning April 1, and to real property accounts, July 1. Following further discussion, it was moved by Director Richards and seconded by Director Boswell that the Resolution Authorizing Delinquent Tax Penalty be approved, which motion carried 5-0.

**11. AUTHORIZE ANNUAL SPECIAL PURPOSE DISTRICT FILING.** Mr. Richardson stated the Legislature in Senate Bill 625 has mandated a form to be filled out and filed on the Comptroller's website, listing certain financial information about some districts, including water districts. Following discussion, it was moved by Director Lumpkin, and seconded by Director Meisinger, to authorize the annual Special Purpose District Filing, which motion carried unanimously, 5-0.

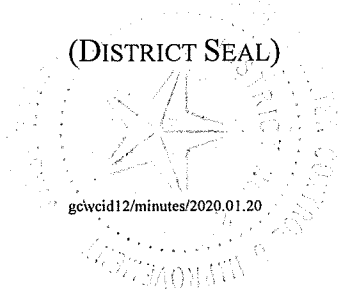
**12. DIRECTORS ELECTION.** Chris Richardson informed the Board the biennial Directors Election is scheduled for the uniform election date of Saturday, May 2, 2020. The Order Calling Directors Election and Notice of Election were presented for the Board's review and approval, a copy of the Order is attached as Exhibit "G". Following further discussion, it was moved by Director Meisinger, seconded by Director Richards, and unanimously carried that the Order Calling Directors Election be approved; that the Notice of Election be approved; to authorize entering into an agreement with Galveston County for election services; and that the attorneys be authorized to post notice as required by law, which motion carried unanimously, 5-0.

**13. FUTURE AGENDA ITEMS.** The Board discussed adding an item to consider declaring surplus property to the next agenda.

**CLOSED SESSION.** The Board held an executive session to discuss a personnel issue and confer with its attorney. The Closed session began at 8:30 p.m. and the Board reconvened in open session at 9:00 p.m.

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

*PASSED, ADOPTED and APPROVED* this 17th day of February, 2020.



  
Secretary