

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT

February 26, 2020

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in regular session, open to the public in the back office of the Columbia Lakes Resort Cottages at 180 Freeman Blvd., Columbia Lakes, , West Columbia, Texas within the boundaries of the District on the 26th day of February 2020 at 9am. and the roll was called of the duly constituted officers and members of the Board,
to-wit:

Allan Sassin	President
Gene Pell	Vice-President / Financial Director
Becky Carroll	Secretary/Treasurer
Wayne Pollard	Asst. Secretary/Treasurer
Ray Sauer	Director

Also present were the following: Debra Lanehart, 1st Capital Business Services, LLC; Morris Ryder, Ryder & Co.; Doug Roesler and Steve Matula, Baker & Lawson; Clark Lord, Bracewell, LLP; Randall Weeks and Kevin Patrick, residents and M J Reddy, commercial property owner. All members except Gene Pell were present, thus constituting a quorum.

Director Sassin called the meeting to order at 9:00am

Minutes are presented in order of the stated agenda even though actual order of topics were discussed out of agenda order.

A. Public Comments:

1. Kevin Patrick, resident and member of Golf/Recreational Amenities Committee for the Columbia Lakes Homeowners Association posed the idea of VCUD taking over and maintaining the roads as part of the drainage system and asked about the possibility of the District using the maintenance tax for the upkeep of the golf course property if purchased by the HOA. Discussion postponed until legal counsel was present.

B. SECURITY

The cameras currently are not being monitored. District needs to develop a plan/contract with Mr. Womble to monitor and maintain the cameras.

C. SEWER AND WATER BILLING AND COLLECTION REPORTS

1. Billing for the month of January 2020

Read dates December 1-December 31, 2019

Pumpage: 4,783,000

Consumption: 4,425,300

Accountability: 92.52%

Water and Sewer Billing: \$46,774.79

Meters billed: Residential: 935 Commercial: 39 water, 35 sewer

Director Sauer made a motion to accept the water and sewer reports, seconded by Director Carroll and the vote was unanimous.

Disconnect date: February 26, 2020

Director Carroll made the motion to approve the cutoff list for February 26, 2020. Director Pollard seconded the motion and the vote was unanimous.

2. Transitioning of the billing services is still ongoing. Daily activities are starting to go more smoothly. Staff continuing to evaluate the reporting capabilities of the software.

3. Morris Ryder will monitor the Townhouse meter for usage. Tabled for any action.

4. Debra Lanehart presented billings for several water accounts with balances that are in foreclosure.

Motion to approve balance write-offs on the foreclosed properties made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

D. OPERATOR'S REPORT

1. Update on maintenance: January

- Bacteriological samples were good.
- Mowed and weeded pump stations and levee, North Ditch.
- Cleaned storm drains
- Repair meter leaks: Ridgewood, S. Amherst, Twin Lakes
- 2 short and 3 long water taps, 6 sewer taps/ inspections
- Checked grease trap at Vallarta's
- Flushed fire hydrants 1/27-1/31/20
- Painted pressure tanks 1 and 2
- Installed fence on levee near crappie pond
- Painted gates on Freeman Lagoon

D. OPERATOR'S REPORT CONT.

2. Twenty-four (24) storm drain covers replaced done this month. The solid grate seems to help the drainage.

3. Jetting Machine:

Motion to authorize purchase of Pipehunter, Inc. Series 34418 Single Axle Trailer/ 4000 PSI @18 GPM Jetting machine plus pulse attachment approved at the January meeting amended to approve the rental as needed instead of purchase made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

Motion to accept the Operator's report made by Director Carroll and seconded by Director Sauer and the vote was unanimous.

E. ENGINEER'S REPORT

1-2. Bid package for the re-work of Water Well #2 is almost ready. Once awarded, it will be a four (4) week process.

Waiting on quote for Booster #3.

North pump station still in progress to go out for bids.

Motion made by Director Sauer to authorize Engineer to send letter to TexCon, siting contract about repairs on West Levee giving them an opportunity to cure. Motion seconded by Director Carroll and the vote was unanimous.

Motion to authorize Morris Ryder build eight-foot wide deck to gates on Freeman lagoon for \$4,500/each made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

Board went into closed session at 10:10am to confer with legal counsel about actions to be taken concerning Item #3.

Board reconvened in regular session at 10:34am.

3. Motion to proceed on agreement as discussed in closed session concerning easements at positive closure structures "A" and "D" made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

4. Motion to authorize Morris Ryder to install fence with three (3) gates around the east pump station property for \$10,680 made by Director Sauer, seconded by Director Pollard the vote was unanimous.

5. Smoke Testing: Tabled

6. (5) Dam Emergency Action Plan: In progress

7. (6) Tabled until Engineers can check on the water rights Mr. Verkin offered are still valid.

Motion to accept the report made by Director Sauer and seconded by Director Carroll. The vote was unanimous.

F. LEGAL/FINANCIAL ADVISORS

1. Golf Course

2. Contracts:

- Motion to approve Extension of contract terms with Ryder & Company, LLC for 1 year made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

Motion to approve Street Cleaning contract at \$3,000 per cleaning to be split with CLHOA made by Director Pollard, seconded by Director Carroll and the vote was unanimous.

Motion to approve the extension of Contract terms with Administrator for 1 year made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

Motion to approve the extension of Standby Billing Contract terms with CLHOA/1st Capital Business Services, LLC for 1 year made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

Motion to approve the extension of the City of West Columbia Waste Treatment Plant Contract to February 28, 2021 made by Director Pollard, seconded by Director Pollard and the vote was unanimous.

3. The current service boundary map for Varner Creek Utility District of the Texas Water Development Board does not include the Varner Hogg State Park.

Motion to provide the TWDB with an updated service area boundary map that includes Varner Hogg State Park made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

4. Standby renewal application: Tabled

4. Motion to approve Resolution Concerning Tax Collection Procedures made by Director Carroll, seconded by Director Sauer and the vote was unanimous.

5. Motion to approve Resolution Providing for Additional Penalty for Tax Collection Costs made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

6. Motion to approve Resolution Concerning Exemption of Residence Homesteads from Taxation made by Director Carroll, seconded by Director Sauer and the vote was

unanimous.

F. LEGAL/FINANCIAL ADVISORS CONT.

7. No action, no election necessary.

G. ADMINISTRATORS REPORT

1. Debra Lanehart presented to Standby Collection report for January 2020. January collections totaled \$1,901.00.

Motion to accept the Standby Collections report made by Director Sauer, seconded by Director Carroll and the vote was unanimous.

2. Debra Lanehart presented the Administrator's report reviewing account monies, transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts for the month of January 2020.

Motion made by Director Sauer to accept the Cash Balance Report, seconded by Director Carroll and the vote was unanimous.

3. Tax Assessor/Collector's report for January was presented. Payments for the Current year levy was \$216,950.63. Adjustment for current and prior periods were -\$2,860.86.

Motion to accept the Tax Assessor/Collector's report made by Director Carroll, seconded by Director Pollard and the vote was unanimous.

4. Budget Report for January 2020 was presented. Revenues to-date are \$101,808.93 of the 2020 Budgeted revenue amount of \$875,000 or 11.64%. Expense to-date total \$73,073.81 of the 2020 Budgeted expenses amount of \$875,000 or 8.35%.

Motion to accept the Budget Report for January was made by Director Sauer, seconded by Director Pollard and the vote was unanimous.

5. Debra Lanehart provided list of checks with \$91,245.26 plus check 8305 to Wayne Pollard for \$92.35 for one special meeting out of the Operating account to be approved, nineteen (19) checks totaling \$37,292.75 out of Capital Projects Fund for Bond Projects and one (1) check from Debt Service for the Ro'Vin Garrett for Brazoria County Tax Assessor Collector Commission Fees of \$497.92.

Motion to approve check list made by Director Sauer, seconded by Director Pollard and the vote was unanimous

H. MINUTES

Director Sauer made the motion to accept the minutes from the Regular meeting on February 26, 2020 with the correction of adding cutoff date on the Sewer and water billing and collection report. The motion was seconded by Director Carroll and the vote was unanimous.

I. TRUST PROPERTIES: NONE

There being no other business to come before the Board, Director Sauer made a motion to adjourn. The motion was seconded by Director Pollard and the vote was unanimous.

Debra Lanehart
District Administrator

(SEAL)