

MINUTES  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

July 30, 2013

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in regular session, open to the public, on the 30<sup>th</sup> day of July, at the Pecan Grove Country Club, Highway 359 at Plantation Drive, Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Chad Howard	President
Randy Vance	Vice President
Buddy Kluppel	Secretary
Kirk Boyd	Assistant Vice President/ Assistant Secretary
John Minchew	Assistant Vice President/ Assistant Secretary

and all of the above were present.

Also present at the meeting were residents of the District listed on Exhibit A attached hereto; Bethany Miller, Bryan Jordan and Grady Turner of Jones & Carter, Inc. ("J&C"); Greg Ordeneaux of Tax Tech, Inc.; Mike Ammel, Ben Connelly, Breah Campbell, Sarah Hume, Clayton Galloway and Doug Owen of Environmental Development Partners, L.L.C. ("EDP"); Shirley McLennan of McLennan & Associates, L.P.; Deputy Mark Williams and Lt. Edward Gordon of the Fort Bend County Constable's Office, Precinct 3 ("Precinct 3"); Chief Joe Woolley of Pecan Grove Volunteer Fire Department ("PGVFD"); Jonathan Howard of Arcadis U.S., Inc. ("Arcadis"); Pat Naff of CDC Unlimited, LLC; Marcus Campbell of Time & Season; and Lynne Humphries, Hannah Brook and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REMARKS FROM THE BOARD PRESIDENT

Director Howard opened the meeting at 5:34 p.m. and welcomed attendees.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

CONSENT AGENDA

Director Howard offered Board members the opportunity to remove items from the consent agenda for individual discussion. There being no additional response from any Board member, Director Kluppel moved to approve all items on the consent agenda. Director Boyd seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

SECURITY AND PUBLIC SAFETY MATTERS, INCLUDING COLLECTIONS AGREEMENT BETWEEN THE DISTRICT AND PECAN GROVE VOLUNTEER DEPARTMENT

Deputy Williams reported regarding patrol activity and security issues within the District. In a response to a comment from Director Minchew, Lt. Gordon announced Deputy Williams will leave the Constable's Office for a position with Katy Independent School District.

Chief Woolley reported 60 emergency calls within the District during the month of July and reported regarding a community event sponsored, in part, by the PGVFD.

BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2014 AND BUDGET WORKSHOP

The Board also reviewed a draft budget for the fiscal year ending September 30, 2014 and concurred to schedule a budget workshop as a final agenda item at the Board's regular meeting on August 27, 2013, which will start at 5:00 p.m. to accommodate the workshop.

OPERATION OF DISTRICT FACILITIES

Mr. Ammel reviewed the EDP operations report for the month of July, 2013, a copy of which is attached, and which was provided in advance to the Board.

Mr. Ammel discussed water accountability in the District, overall water loss and historical use and loss, including surface water amounts pumped, ongoing leak detection surveying and updated the Board on collections made on behalf of the PGVFD, including customer comments regarding implementation of the collection. The Board concurred that all comments regarding the voluntary collection should be directed to PGVFD.

Mr. Owen reviewed 3 proposals to repair lift pump no. 2 at lift station no. 6. Mr. Owen explained that the proposal submitted by Coastal Pump Services, Inc. includes \$1,800 for pulling and inspecting the pump and Mr. Ammel said the proposals include an upgrade of the impeller. Following review and discussion, Director Boyd moved to (1) approve the District operator's report; and (2) approve a proposal from Coast Pump Services, Inc. in the amount of \$20,690 to replace lift pump no. 2 at lift station no. 6. The motion, which was seconded by Director Kluppel, passed unanimously.

Mr. Ammel reported the status of approved sidewalk repairs and the associated budget. Upon inquiry by Director Minchew and Mr. Paul Metcalf, discussion ensued regarding ownership of sidewalks and parties responsible for maintenance of same.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board next conducted a hearing on the termination of utility service to delinquent accounts. Mr. Owen reported that the residents on the delinquent list

included in the operator's report were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board to explain, contest or correct the utility service bill, and to show reason why utility service should not be terminated for reason of nonpayment. Director Boyd moved that, because the customers on the termination list were not present at the meeting to address the Board, and did not submit a written statement on the matter, utility service for such customers should be terminated in accordance with the District's Rate Order. Director Kluppel seconded the motion, which passed unanimously.

#### DISTRICT NEWSLETTER AND WEBSITE

Ms. Campbell reported the summer 2013 District newsletter will be mailed on August 15, 2013.

#### CONVERSION TO SURFACE WATER

The Board discussed with Ms. B. Miller and Mr. Howard the status of completion of the surface water treatment plant, including training, and addressing 4 remaining deficiencies, all of which are SCADA, but not radio, related. Mr. Howard said the contractor will submit a final change order for the raw water pumps. Discussion ensued regarding reimbursement to the contractor for installation of three pumps. Mr. Howard reported the final acceptance report is pending due to outstanding laboratory results. Mr. Connelly said results for 3 of 6 required laboratory samples have been received. Mr. Howard said he would circulate the final acceptance report for Board review when complete.

#### ENGINEERING MATTERS

Mr. B. Miller and Ms. Jordan reviewed with the Board an engineering report, a copy of which is attached to these minutes.

Ms. B. Miller first presented a proposal for preparation of a Concentration-Time ("CT") Study needed to increase capacity at the surface water treatment to 2.3 million gallons per day.

Ms. B. Miller also presented a proposal in the amount of \$14,515 to prepare and file application for renewal of Permit No. WQ0011655-001 for the wastewater treatment plant.

Ms. B. Miller discussed the status of design of proposed drainage improvements and said J&C will bring plans to the September regular meeting for Board review. Discussion ensued regarding release of foundation surveys to homeowners in the areas for which improvements are proposed.

Ms. B. Miller reported the status of plans and specifications for Phase 1 for Sanitary Sewer Cleaning and Televising and requested authorization to advertise for bids for construction, subject to final agency approval of plans.

Ms. B. Miller reported the status of clearing and grubbing and relocation of the temporary construction access road for construction of the Pecan Lakes Flood Protection System. Ms. B. Miller discussed coordinating color choice of the flood wall with the Pecan Lakes Homeowner's Association. She recommended the Board approve Pay Estimate No. 1 in the amount of \$147,150, payable to LECON, Inc. and presented an agreement in the amount of \$41,091 with CenterPoint to permanently relocate utility poles.

Upon inquiry from Mr. Lee Dorger, discussion ensued regarding coordinating the pump station finish for the Pecan Lakes Pump Station with the Pecan Lakes Homeowner's Association and notifying the Board of any associated additional cost.

Ms. B. Miller next discussed Well No. 3 rework and reported the structure in good shape requiring no additional repairs. She said the contractor would reinstall the pump this week and recommended the Board approve Pay Estimate No. 1 in the amount of \$19,350, payable to Layne Christiansen.

Following review and discussion, Director Kluppel moved to (1) approve the engineer's report; (2) approve a proposal for preparation of a CT Study; (3) approve a proposal in the amount of \$14,515 to prepare and file application for renewal of Permit No. WQ0011655-001 for the wastewater treatment plant; (4) authorize advertisement for bids for Phase 1 for Sanitary Sewer Cleaning and Televising, subject to final agency approval of plans; (5) approve Pay Estimate No. 1 in the amount of \$147,150, payable to LECON, Inc. for the Pecan Lakes Flood Protection System; (6) approve an agreement in the amount of \$41,091 with CenterPoint to permanently relocate utility poles for the Pecan Lakes Flood Protection System; (7) approve Pay Estimate No. 1 in the amount of \$19,350, payable to Layne Christiansen for well no. 3 rework; and (8) authorize J&C to provide copies of the foundation surveys to residents whose homes were surveyed as part of the District's proposed drainage improvements. The motion, which was seconded by Director Boyd, was unanimously approved.

#### REPORTS FROM DIRECTORS, COMMITTEES, AND DISTRICT CONSULTANTS

Director Kluppel reported regarding surface water issues and meetings with the Fort Bend Flood Management Association, Gulf Coast Water Authority Mainland Municipal Advisory Committee and Brazos River Authority.

#### ATTORNEY'S REPORT

The Board next considered a Resolution Voting for Water District Nominee for the Election of the Board of Directors of the Fort Bend Central Appraisal District. After discussing the nominations, Director Kluppel moved to cast all of the District's votes for Bob Hauck. The motion, which was seconded by Director Boyd, passed unanimously.

Ms. Humphries reviewed with the Board a memo prepared by ABHR on legislation passed during the 2013 legislative session applicable to special districts, a copy of which is attached.

The Board discussed mediation of the Abbe Ivey matter on August 29<sup>th</sup> at 9 a.m. and concurred that Director Kluppel attend on behalf of the Board, with Director Howard as the replacement in the event Director Kluppel becomes unavailable to attend.

PARK MATTERS

Mr. Campbell reviewed a park report, including a rental history, a copy of which is attached to these minutes. The Board also concurred to leave the park on Pitts Road open during football season until 8:15 p.m. and to post signage regarding prohibition on use of motor vehicles on the levee and in the park and regarding enforcement of the Fort Bend County leash law.

The Board also reviewed a memorandum from the Fort Bend County Sheriff regarding the use of golf carts on public roadways and the prohibition of such vehicles on District owned property in Fort Bend County. Following discussion and review, the Board concurred to place a copy of the memorandum on the District website.

EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES, SECTION 551.072, TEXAS GOVERNMENT CODE TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY AND SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, INCLUDING CONDEMNATION PROCEEDING AND ACTIONS RELATED TO FACILITY CONSTRUCTION

The Board determined it was not necessary to convene in executive session.

RESOLUTION AND ORDER FINDING AND DECLARING THE EXISTENCE OF A PUBLIC NECESSITY FOR THE ACQUISITION OF EASEMENTS, AUTHORIZING THE ACQUISITION OF EASEMENTS BY DONATION, PURCHASE, OR EXERCISE OF THE POWER OF EMINENT DOMAIN, AUTHORIZING PAYMENT OF COMPENSATION FOR SUCH ACQUISITIONS, AND APPROVING AND RATIFYING ACTIONS RELATED THERETO

No Board action was taken.

There being no other business to consider, the Board agreed to adjourn.



  
Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
engineer's report.....	1
operator's report .....	1
tax assessor/collector report .....	1
EDP operations report for July, 2013.....	2
termination list .....	3
memo prepared by ABHR on legislation passed during the 2013 legislative session applicable to special districts.....	4