

MINUTES  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

June 27, 2017

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in regular session, open to the public, on the 27<sup>th</sup> day of June, 2017 at the Pecan Grove Country Club, Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Chad Howard	President
Ryan Yokubaitis	Vice President
G.E. "Buddy" Kluppel	Secretary
Stephen D. Crow	Assistant Secretary/ Assistant Vice President
Charles D. Bertrand	Assistant Vice President/ Assistant Secretary

and all of the above were present, except Director Crow, thus constituting a quorum.

Also present at the meeting were residents of the District listed on Exhibit A attached hereto; Scott Saenger, Bob Aylward, Kaci Hicks and Grady Turner of Jones & Carter, Inc. ("J&C"); Chief Joe Woolley and Kathy Golden of the Pecan Grove Volunteer Fire Department ("PGVFD"); Sgt. Bennett and Captain Holtz of the Fort Bend County Sherriff's Department; Kathy Cruthirds of Tax Tech, Inc.; Mike Ammel, Brea Campbell and Clayton Galloway of Environmental Development Partners, LLC ("EDP"); Melvin Moore of WCA Waste Corporation of Texas ("WCA"); Jorge Diaz of McLennan & Associates, L.P. ("M&A"); Pat Naff of CDC Unlimited, LLC; Marcus Campbell of Time and Season Property Management ("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 5:30 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. Director Kluppel moved to approve all items on the consent agenda, with the exception of consent agenda item f. Director Bertrand seconded the motion, which passed by unanimous vote. Copies of all

documents approved as part of the consent agenda are attached, including the bookkeeper's report and the tax assessor collector's report.

#### ITEMS REMOVED FROM CONSENT AGENDA

Mr. Moore reviewed a proposal to renew the District's garbage and recycling collection contract with WCA, a copy of which is attached. Discussion ensued regarding the deletion of glass as a recyclable product and the Board requested that Mr. Moore revise the proposal to delete glass recycling and resubmit the proposal, as revised, to the District. The Board also requested that Mr. Moore review the District website garbage and recycling information page and submit updated text regarding recyclable products to be posted on the District website and to be included in a utility bill insert. The Board concurred to defer approval of the proposal until the July Board meeting.

#### ADDITIONAL BOOKKEEPING MATTERS

Mr. Diaz reported the following handwritten checks and said the checks and amounts will be reflected in the July, 2017 bookkeeping report:

1. Check No. 10074 in the amount of \$508.56, payable to Director Bertrand as reimbursement of summer conference expenses, submitted in accordance with the District's Travel Guidelines; and
2. Check No. 10075 in the amount of \$408 to ELI for water testing services.

#### SECURITY AND PUBLIC SAFETY MATTERS

Sgt. Bennett reviewed patrol statistics for the month of June, 2017 and responded to comments from District residents regarding a recent burglary in the District and subsequent arrest by Sherriff's deputies other than those patrolling for the District. Captain Holtz discussed how District calls are coded and subsequent patrol reports generated. The Board requested that future patrol reports show all calls within the District's boundary, including those arrests/calls coded to the District, but made by officers outside the District's contract. The Board also requested an area community statistics comparison report. Captain Holtz updated the Board on recent patrol staffing changes and addressed recent social media comments regarding the Fort Bend County Sherriff's Department.

Chief Woolley reported on PGVFD activity since the last meeting and presented a copy of the draft PGVFD budget for the Board's review.

Director Howard reported regarding recent meetings with Fort Bend County (the "County") and members of the Pecan Grove Property Owners Association ("POA") to discuss proposed construction and cost sharing of a new sidewalk and crosswalk to Bowie Middle School. He said the County is preparing plans and a follow up meeting is scheduled for next Friday.

#### DEVELOPMENT AND MAINTENANCE OF PARKS

Mr. Campbell reviewed a parks report, a copy of which is attached, and updated the Board on park reservations, maintenance and repairs in District parks.

Mr. Campbell updated the Board regarding repair of the aerators in Bullhead Bayou Slough and modification of the aerator sleeve to discourage turtles from chewing on the sleeves. He said he requested that Storm Water Solutions LLP ("SWS") purchase and keep replacement equipment in stock. Mr. Campbell also said he contacted Texas Parks and Wildlife Department regarding the alligator in the slough.

Mr. Campbell next presented quotes to replace the concrete pads under the picnic benches in Pecan Grove Park and recommended the Board approve the proposal submitted by Richland Concrete, because it would result in the most economical completion of the project.

Mr. Campbell also requested authorization to repair park bathroom urinals for an amount not to exceed \$6,000.

Following review and discussion, upon a motion by Director Yokubaitis and a second by Director Kluppel, the Board voted unanimously to (1) approve a proposal from Richland Concrete in the amount of \$5,040; and (2) authorize repair of park bathroom urinals for an amount not to exceed \$6,000.

Discussion ensued regarding access to District parks and District park rule signage. Director Yokubaitis requested an agenda item for the July, 2017 Board meeting to discuss amendment of District park signage.

Director Bertrand updated the Board regarding proposed community cost sharing for additional mowings of the esplanades on FM 359 through an Interlocal Agreement to be administered by the West Fort Bend Management District.

#### OPERATIONS OF DISTRICT FACILITIES

Mr. Ammel reviewed the EDP operations report, a copy of which is attached, and which was provided in advance to the Board. Mr. Ammel discussed routine repairs completed and requested authorization to make the following repairs:

1. Inspection of belt presses at the Wastewater Treatment and Surface Water Treatment Plants and associated training for personnel for an estimated amount of \$6,550;
2. Replace expired water inflated property protectors ("WIPPS") for an amount not to exceed \$25,000; and
3. Approve a proposal from Sprint Waste for dumpsters at the Wastewater Treatment and Surface Water Treatment Plants.

Discussion ensued regarding seasonal demand affecting production at the Surface Water Treatment Plant, including chloride and turbidity levels.

Following review and discussion, upon a motion by Director Kluppel and a second by Director Yokubaitis, the Board voted unanimously to (1) approve the operator's report; and (2) authorize inspection of belt presses at the Wastewater Treatment and Surface Water Treatment Plants and training for personnel, as discussed above; (3) authorize replacement of expired WIPPS for an amount not to exceed \$25,000; and (4) approve a proposal from Sprint Waste for dumpsters at the Wastewater Treatment and Surface Water Treatment Plants.

#### TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board next conducted a hearing on the termination of utility service to delinquent accounts. Ms. Campbell reported that the residents on the delinquent list provided to the Directors 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 Kluppel 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 Yokubaitis seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS

Mr. Turner reviewed the engineering report, a copy of which is attached and distributed to the Directors in advance of the meeting.

Mr. Turner reported regarding wastewater treatment plant phase I improvements and said the contractor has agreed to split the damages in the amount of \$14,032.50 and to deduct \$7,016.25 from the final payment. Mr. Turner recommended the Board approve revised Pay Estimate No. 13 and Final in the amount of \$82,083.92.

Mr. Turner presented contracts for signature for installation of a floodgate on FM 359 and said the traffic control plan was submitted today. He said that when the traffic control plan is approved, J&C will post the information on the District website.

Mr. Turner reported the status of construction of drainage improvements in Plantation, Section 7 and recommended the Board approve Pay Estimate No. 6 in the amount of \$72,634.15 and Change Order No. 5 allowing the contractor 18 additional calendar days in the contract due to waterline issues. He said the County has requested additional pavement at the lift station to improve the intersection at QuarterPath and Plantation Drive and will reimburse the District for the additional expense. Discussion ensued regarding slow contractor response time to remove blocked construction screens and barriers during a recent heavy rain event causing localized flooding. The Board requested that J&C meet with the contractor to discuss improving response times during future heavy rain events. J&C also updated the Board on the Pecan Grove Golf Club's construction progress and schedule.

Mr. Turner discussed bids received for Jones Creek Slope Repairs and said J&C is not recommending an award at this time. He also updated the Board regarding applications for reimbursement pending with the Federal Emergency Management Agency ("FEMA") and the Natural Resources Conservation Service ("NRCS") and discussed the status of the District's bond application pending with the Texas Commission on Environmental Quality ("TCEQ").

Discussion ensued regarding a proposed reclaimed water system and potential reclaimed water system water users. Directors Howard and Bertrand updated the Board regarding ongoing discussions with the North Fort Bend Water Authority. The Board instructed J&C to hold advertisement for bids to construct the project at this time.

Following review and discussion, upon a motion by Director Kluppel and a second by Director Bertrand, the Board voted unanimously to (1) approve the engineer's report; and (2) approve the pay estimates and change order presented and discussed above, as recommended by J&C.

#### DISTRICT WEBSITE AND NEWSLETTER

The Board discussed removing old news from the website home page and the Board agreed to provide the website administrator with a current news cycle end date.

#### REPORTS FROM DIRECTORS, COMMITTEES, AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

Discussion ensued regarding smart water meter technology and affordability.

The Board also concurred to tentatively schedule an annual budget workshop on August 15, 2017 at 5:30 p.m. at the Pecan Grove Baptist Church.

WORKSHOP MEETING TO DISCUSS USE OF WATER BOND SURPLUS

There was no discussion for this agenda item.

ATTORNEY'S REPORT

Ms. Humphries noted that the Fort Bend County Appraisal District ("FBCAD") is accepting nominations for persons to serve as Directors of the FBCAD Board of Directors, but the Board took no action.

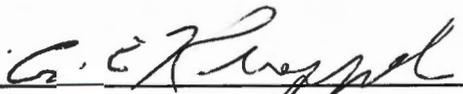
The Board discussed correspondence received from the City of Richmond regarding proposed zoning of an approximately 3 acre tract on FM 359 south of the Campanile at Jones Creek. Ms. Humphries said the City of Richmond confirmed that the intended use is general commercial and not multifamily. Following discussion, upon a motion by Director Kluppel and a second by Director Bertrand, the Board voted unanimously to designate Director Howard to respond to the City of Richmond on behalf of the District, subject to receipt of additional information, including location and layout, from the City of Richmond.

Ms. Humphries discussed legislative matters pertaining to the 85<sup>th</sup> Regular Session of the Texas Legislature.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

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

There being no additional business to consider, the meeting was adjourned.

  
Secretary, Board of Directors



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