

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

June 26, 2018

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in regular session, open to the public, on the 26th day of June, 2018 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:

Ryan Yokubaitis	President
Stephen D. Crow	Vice President
G.E. "Buddy" Kluppel	Secretary
Jean Gobar	Assistant Secretary
Charles D. Bertrand	Assistant Vice President

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

Also present at the meeting were: residents of the District, some of which signed in and are listed on Exhibit A attached hereto; Marcus Campbell of Time & Season Property Management; Dave Ciarella of Enhanced Energy Services of America, LLC and a District resident; Sergeant Michael Patterson and Sergeant Ian Cahill of Fort Bend County Sherriff's Department; Mike Ammel, Breah Campbell and Cheryl Shafer of Environmental Development Partners, LLC ("EDP"); Justin Ring, Phillip Huseman and Megan Crutcher of Odyssey Engineering ("Odyssey"); Chief Joe Woolley of Pecan Grove Volunteer Fire Department ("PGVFD"); Dan McDonald of McDonald & Wessendorff Insurance; Pat Naff of CDC Unlimited, LLC; Autumn Phillips of Municipal Accounts & Consulting, LP ("MAC"); Kathy Cruthirds of Tax Tech, Inc.; and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REMARKS FROM THE BOARD PRESIDENT

Director Yokubaitis opened the meeting at 5:30 p.m., welcomed attendees and reported that the District filed suit against Jones & Carter, Inc. on June 21, 2018.

COMMENTS FROM THE PUBLIC

Mr. Menning requested an update regarding investigation of drainage issues on Bent Creek Court.

Mr. Metcalf asked if the height of the recent levee expansion in Plantation, Sections 4 and 5 meets all governmental standards.

CONSENT AGENDA

Director Yokubaitis 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. Director Crow seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There was no discussion for this agenda item.

ADDITIONAL BOOKKEEPING ITEMS

There was no discussion for this agenda item.

SECURITY AND PUBLIC SAFETY MATTERS

Sergeant Patterson reported regarding District patrol and security since the last Board meeting.

Chief Woolley provided an update regarding PGVFD activity and events since the last Board meeting in the PGVFD service area and presented a copy of the draft PGVFD budget for the Board's review.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. McDonald discussed coverage options for excess flood coverage for 4 specific insured facilities. Following review and discussion, Director Bertrand moved to (1) authorize renewal of the District's insurance policies through McDonald & Wessendorff Insurance, as recommended by Mr. McDonald; (2) to decline excess flood coverages discussed; and (3) authorize the District bookkeeper to release payment of the renewal premium. The motion was seconded by Director Crow and passed unanimously.

DEVELOPMENT AND MAINTENANCE OF PARKS

Mr. Campbell reviewed the parks report, a copy of which is attached and discussed ongoing maintenance in District parks.

OPERATIONS OF DISTRICT FACILITIES

Ms. Campbell reviewed the EDP operations report, a copy of which is attached, and which was provided in advance to the Board. Ms. Campbell discussed water accountability for the month of June, 2018.

Ms. Campbell updated the Board regarding the status of implementing EDP's new customer billing system.

Ms. Campbell next presented an appeal from the District customer at 2206 Country Mile Lane requesting reimbursement of a plumber's invoice in the amount of \$558 for repair of a sanitary sewer back up. Following discussion and review of the documents and information provided by both the District operator and customer, Director Kluppel moved to authorize reimbursement to the customer for half of the amount of the invoice submitted. Director Crow seconded the motion, which passed unanimously.

Discussion ensued regarding the District's new customer service form and methods for signing up for and/or subscribing to the District's email/text messaging system.

Ms. Campbell requested the Board's approval of Mr. Russell Piper as the District's full time operational manager. She said Oscar Martinez will be assume responsibility for operation of the surface water treatment plant in place of Mr. Piper.

Following review and discussion, upon a motion by Director Crow and a second by Director Kluppel, the Board voted unanimously to (1) approve the operator's report; and (2) accept EDP's recommendation of Mr. Piper as the District's full time operational manager.

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 Crow 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.

ODYSSEY ENGINEERING MATTERS

Mr. Ring and Ms. Crutcher next reviewed the Odyssey engineering report, a copy of which is attached and was distributed to the Directors in advance of the meeting. Mr. Ring, Ms. Crutcher and Mr. Huseman provided an update regarding ongoing engineering and construction projects.

In response to Mr. Menning's question, Mr. Ring said Odyssey is investigating elevations related to localized flooding reports during heavy rain events, including Hurricane Harvey, on Bent Creek Court. He also updated the Board on preliminary assessment and topographic surveying of the intersection of Victorian Gardens Drive and Old South Drive. He reported regarding investigation of ponding on Old South Drive and Cannonbury Lane, but said Odyssey is not making a recommendation at this time.

Discussion ensued regarding assessment of erosion on Bullhead Slough near 2110 Old Dixie. Mr. Ring said Odyssey is also working with CDC to address removal of a large tree in the slope impacting the fence and investigating the potential causes of erosion.

Ms. Crutcher said she met with Storm Water Solutions, LP regarding options to address algae growth in Bullhead Slough.

Ms. Crutcher next requested authorization to prepare and file the wastewater discharge permit renewal application with the Texas Commission on Environmental Quality no later than January 2, 2019.

Following review and discussion, and based upon Odyssey's recommendation, upon a motion by Director Kluppel and a second by Director Crow, the Board voted unanimously to (1) approve the engineer's report; and (2) authorize Odyssey to prepare and file the wastewater discharge permit renewal application with the Texas Commission on Environmental Quality no later than January 2, 2019.

DISTRICT WEBSITE AND NEWSLETTER

Director Yokubaitis discussed recent information, news and documents added to the District website.

REPORTS FROM DIRECTORS, COMMITTEES AND DISTRICT CONSULTANTS

Director Kluppel reported regarding recent meetings and projects of the Brazos River Authority and Gulf Coast Water Authority.

Directors Yokubaitis and Crow reported regarding session and vendor information from the Association of Water Board Directors Summer Conference.

Discussion ensued regarding Fort Bend County evacuation procedures and protocol during flooding events.

ATTORNEY'S REPORT

There was no discussion for this agenda item.

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 at 6:32 p.m.


Secretary, Board of Directors

(SEAL)



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