

MINUTES  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

November 27, 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 27<sup>th</sup> day of November, 2018 at the Pecan Grove Baptist Church, 1727 FM 359, 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, 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; District resident David Ciarella, who is also a representative of the District's energy consultant, Enhanced Energy Services of America, LLC; Breah Campbell, Russell Piper, Cheryl Shafer and Mike Ammel of Environmental Development Partners, LLC ("EDP"); Chief Joe Woolley of Pecan Grove Volunteer Fire Department ("PGVFD"); Justin Ring, Phillip Huseman and Megan Crutcher of Odyssey Engineering ("Odyssey"); David Beyer and Karen Sears of Storm Water Solutions, LP; Pat Naff of CDC Unlimited, LLC; Taylor Kolhmodin of Municipal Accounts & Consulting, LP ("MAC"); Kathy Cruthirds of Tax Tech, Inc.; Scott Burdine of Burdine Wynne LLP; Britt Harris of Harris Hilburn, LLP; Lieutenant Wayne Hastedt of the Fort Bend County Sherriff's Department; Kathryn Foss of Municipal Financial Services ("EVO"); and Lynne Humphries, Hannah Brook, 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.

COMMENTS FROM THE PUBLIC

Mr. Bracken requested a contact to report issues standing water against the gates on the levee at Bullhead Slough near Plantation, Section 6. He also asked for an update regarding design of the Mason Road levee.

## 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

Director Crow discussed a proposed update of the District's metrics comparison report. Following review and discussion, Director Crow made a motion to update the District's metrics comparison report through EVO. Director Bertrand seconded the motion, which passed unanimously.

## SECURITY AND PUBLIC SAFETY MATTERS

Lt. Hastedt discussed security patrol in the District.

Chief Woolley reported regarding fire protection in the District.

## DEVELOPMENT AND MAINTENANCE OF PARKS

Mr. Campbell reviewed a written parks report, a copy of which is attached, and discussed ongoing repairs, improvements and projects, including a Boy Scout Troop No. 732 ("Troop No. 732") project.

Mr. Beyer and Ms. Sears discussed ongoing efforts to resolve electrical supply to aerator issues in Bullhead Slough and spraying for aquatic, vegetative growth in Bullhead Slough. Mr. Beyer addressed Board concerns regarding complaints about SWS's inattention and lack of responsiveness regarding Board requested maintenance and repairs in Bullhead Slough. Mr. Beyer said SWS has a new team working in Bullhead Slough, including an inspector who lives in the area, and requested that the Board give SWS 6 months to improve their performance. In response to Mr. Bracken's earlier inquiry, Director Yokubaitis commented that adding detention depth to Bullhead Slough is included in the District's Capital Improvement Plan.

## 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 November, 2018.

Ms. Campbell discussed the status of repairs previously authorized and underway and requested authorization to make the following repairs:

1. replace the VFD for RAS pump no. 2 at the wastewater treatment plant for an estimated cost of \$5,278;
2. replace lift pump no. 1 at lift station no. 8 for an estimated cost of \$5,125;
3. repair the backwash clarifier sludge pump motor at the surface water treatment plant for an estimated cost of \$4,818;
4. replace the raw water valve actuator at the surface water treatment plant for an estimated cost of \$6,287; and
5. replace the control room computers at the surface water treatment plant for an estimated cost of \$6,101.62.

Following review and discussion, upon a motion by Director Crow and a second by Director Gobar, the Board voted unanimously to (1) approve the operator's report; and (2) authorize repairs/replacements, as requested above.

## 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 Gobar seconded the motion, which passed unanimously.

## ODYSSEY ENGINEERING MATTERS

In response to Mr. Bracken's inquiry regarding standing water against the gates on the levee at Bullhead Slough near Plantation, Section 6, Mr. Ring explained District plans to address the reported issue as part of the District's Drainage Swale Agreement with Fort Bend County Municipal Utility District No. 134E ("Harvest Green"). Mr. Ring also explained the scope of the District's proposed Mason Road levee

project/improvement. He noted this segment of levee already exists, but is being reviewed for possible improvements.

Mr. Ring 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.

Mr. Ring first discussed the status of painting at the South Pump Station and recommended suspending the District's contract with Thompson Industrial Supply. Mr. Ring then presented a proposal in the amount of \$31,150 from Total Energy Solutions for purchase of the diesel tanks.

Mr. Ring next discussed the Mason Road levee and recommended that the Board authorize additional topographic surveying from FM 359 to approximately 600 feet south of the tennis courts to confirm the WIPP (water-inflated property protector) placement tie-in location.

Mr. Ring next requested authorization to begin design of a first phase of a reclaimed water system, noting funds are allocated and available from the water capital projects account.

Mr. Ring also discussed projects identified in the Capital Improvement Plan to be paid from surplus funds from the District's Series 2010 Unlimited Tax Bonds or operating funds and requested authorization to begin design of projects listed in the Capital Improvement Plan.

Mr. Ring next reviewed proposals from Storm Water Solutions, LP and Champions Hydro-Lawn for various repairs, improvements and maintenance at Pecan Lakes Basin. Following review and discussion, the Board concurred to authorize an agenda item on the December 18, 2018 Board meeting agenda to approve a Master Services Agreement with Champions Hydro-Lawn for maintenance and repair in the Pecan Lakes basin and to terminate that portion of the District's contract with Storm Water Solutions, LP related to maintenance and repair in the Pecan Lakes basin. The Board also concurred to request a proposal for design to add detention depth to Bullhead Slough.

Mr. Ring reported the status of the levee expansion project in Plantation, Sections 4 and 5 and recommended the Board approve Pay Estimate No. 3 in the amount of \$74,467.16, payable to R&T Ellis Excavating, Inc. Ms. Hale-Erich inquired regarding perpetual maintenance of the drainage pipes near Bullhead Slough outside the Plantation, Section 4/5 levee following completion of the improvements.

Mr. Ring next discussed the status of design of improvements to lift station no. 4 and requested authorization to advertise for bids for construction.

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; (2) authorize design of the first phase of a proposed reclaimed water system and all projects included in the Capital Improvement Plan; (3) authorize the District engineer to advertise for bids for construction of improvements to lift station no. 4; (4) authorize additional topographic surveying from FM 359 to approximately 600 feet south of the tennis courts to confirm the WIPP placement tie-in location for the Mason Road levee; (5) authorize the District engineer to suspend the District's contract with Thompson Industrial Supply for the South Pump Station and approve a proposal in the amount of \$31,150 from Total Energy Solutions purchase of the diesel tanks; and (6) approve Pay Estimate No. 3 in the amount of \$74,467.16, payable to R&T Ellis Excavating, Inc.

#### DISTRICT WEBSITE AND NEWSLETTER

Ms. Campbell discussed preparation of the District newsletter and said she would bring proposals to the December, 2018 Board meeting for the Board's review. Discussion ensued regarding posting notice of holiday, community-wide events on the District website. Following review and discussion, Director Crow moved to authorize website posting of 2018 holiday events in the District's park and information regarding Troop No. 732's park project when complete. The motion was seconded by Director Kluppel and passed unanimously.

#### SURFACE WATER MATTERS

There was no additional discussion for this agenda item.

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

Director Kluppel discussed recent issues with Gulf Coast Water Authority, noting they are interested in leasing, at a pass through cost, any surplus surface water.

#### ATTORNEY'S REPORT

There was no additional discussion for this agenda item.

Director Yokubaitis announced at 6:52 p.m. that the Board would take a brief break before convening in executive session.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

Director Yokubaitis announced the Board would convene in executive session at 7:02 p.m. to conduct a private consultation with the District's attorney regarding litigation. ABHR was present during executive session. Mr. Harris, Mr. Burdine and Mr. Wynne were all present during different times during executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in regular session at 8:08 p.m. No action was necessary.

ADDITIONAL BOOKKEEPING MATTERS (CONTINUED)

Discussion ensued regarding bookkeeping services. Following review and discussion, Director Kluppel moved to authorize execution of a letter giving notice of the District's intent to terminate the District's contract with Municipal Accounts & Consulting, effective on December 31, 2018, and to authorize ABHR to solicit proposals for bookkeeping services and schedule a special meeting on December 4, 2018 to review bookkeeping service proposals. The motion was seconded by Director Crow and passed unanimously.

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

(SEAL)



  
Secretary, Board of Directors

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