



that the minutes of the special meeting of April 11, 2006 had been removed from the Consent Agenda.

Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to approve the following Consent Agenda items: 1) approve the minutes of the regular meeting of April 18, 2006, as written; 2) authorize advertising for bids, subject to Engineer's receipt, review and approval of projects plans and specifications for a) Northcrest Village, Section 6 water, sewer and drainage facilities and b) Northcrest Village, Section 7 water, sewer and drainage facilities; 3) review bid tabulations and award contract for Northcrest Village channel improvements, Phase 2; and 4) approve the following pay estimates and change order: a) Pay Estimate No. 9, in the amount of \$7,030.00 to Triple B Services, LLP for construction of the Bella Sera detention pond; b) Pay Estimate No. 8 (Revised), in the amount of \$8,534.82 to B-5 Construction Co., Inc. for construction of the storm water pump station and outfall improvements to serve Gosling Pines, Section 1; c) Pay Estimate No. 1, in the amount of \$104,135.76 to Bay Utilities, L.L.C. for construction of water, sewer and drainage facilities to serve Spring Terrace, Section 4; d) Pay Estimate No. 5, in the amount of \$55,083.31, to Pace Services, L.P. for construction of water, sewer and drainage facilities to serve Senterra Lakes, Section 1; and e) Pay Estimate No. 1, in the amount of \$209,389.32 and Change Order No. 1, in the amount of \$30,800.80 to McKinney Construction, Inc. for construction of the waterline extension along Spring Cypress Road to serve Villages of Senterra Lakes.

## **REGULAR AGENDA**

### **ADMINISTER AND ACCEPT OATHS OF OFFICE AND OFFICIAL STATEMENTS OF ELECTED AND APPOINTED DIRECTORS**

Director Steffes then executed the Certificates of Election for Directors Warren and Steffes, whereupon Directors Steffes and Warren executed their oaths of office and official statements of elected director.

It was then noted that Ms. Theiss was appointed by the Board at the special meeting of May 2<sup>nd</sup> to fill the unexpired term of Jerry Thomas, who resigned from the Board on March 21, 2006. Ms. Theiss then executed her oath of office and official statement of appointed director.

Upon motion by Director Schkade, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to accept the executed oaths of office and official statements of Directors Steffes, Warren and Theiss. Copies of the oaths of office will be filed with the Secretary of State's office pursuant to Article XVI, Section 1 of the Texas Constitution.

Ms. Hall then entered the meeting at 6:10 p.m.

### **AUTHORIZE AMENDMENT TO DISTRICT REGISTRATION FORM**

Ms. Bobbitt noted that pursuant to Section 49.054 of the Texas Water Code, as amended, the District is required to file an amended District Registration Form with the Texas Commission on Environmental Quality (the "TCEQ") with the name, address and term of office of the new

directors. Upon motion by Director Theiss, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the preparation and filing of an amended District Registration Form with the TCEQ.

#### REQUEST FOR SERVICE TO AND ANNEXATION OF 2.5-ACRE RICHARDSON TRACT

Mr. Peterson then reported that Mr. Roger Richardson, owner of the Scotts Lawn & Chemical building and adjacent florist building located on FM 2920, west of Kuykendahl Road, has submitted a service/annexation application and a deposit of \$3,000 for a feasibility study on the tract. Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Jones & Carter to prepare a service/annexation feasibility study on Mr. Richardson's 2.5-acre tract of land.

#### TAX ASSESSOR/COLLECTOR'S REPORT

The Board then recognized Ms. Hall, who presented the Tax Assessor/Collector's Report for the month of April, a copy of which is attached hereto. Ms. Hall reported that 94.3% of the District's 2005 taxes have been collected as of today's date. Ms. Hall then noted that all 2005 delinquent tax accounts as of June 30, 2006 will be turned over to Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax attorney, on July 1<sup>st</sup> for collection. Ms. Hall also noted that the Harris County Appraisal District is going to use a new computer program for 2006 tax rolls.

Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor/Collector's Report and to authorize payment of the checks reflected therein.

#### DELINQUENT TAX ATTORNEY'S REPORT

Ms. Hall next reviewed with the Board the Delinquent Tax Attorney's Report, a copy of which is attached hereto. Ms. Hall noted that the property listed as item no. 4 in the first section of the Report is scheduled to be sold at a tax sale on June 6, 2006. Several Board members stated that Rigia's Pizza, listed as item no. 7 in the first section of the Report, is still open for business and asked Ms. Hall to relay that information to the delinquent tax attorney. Director Warren stated that he might be able to assist the delinquent tax attorney to locate the owners of the properties at 4711 Roserock Lane and 4827 Lost Lake Lane.

#### GENERAL MANAGER'S REPORT

Mr. Conner next presented the General Manager's Report, previously distributed to the Board, a copy of which is attached hereto.

Mr. Conner noted that the Harris County Precinct 4 Constable's Report was distributed prior to the Board meeting via email. A copy of such report is attached hereto.

Mr. Conner first reported that a meeting was held on April 19th with the owner of Progressive Pumps to discuss the routing of the Bonds Gully improvements. Mr. Conner noted

that construction on the Bonds Gully improvements will begin at Spring-Cypress Road and work upstream. Mr. Conner stated that he is in the process of obtaining proposals for the cleaning out of Upper Bonds Gully, since it will be at least one (1) year before that portion of the drainage improvement project is started.

Mr. Conner then reported that he is still awaiting receipt of the proposed agreement by and between the District and the Harris County Flood Control District (the "HCFCD") regarding the joint use of the HCFCD drainage easements for the installation and maintenance of the District's hike and bike trails from the HCFCD.

Concerning the cleaning of the FM 2920 drainage ditches, Mr. Conner reported that the Texas Department of Transportation ("TxDOT") contractor has utilized a new excavation technology to clean out the drainage ditches along the north and south sides of FM 2920 and that such work was very successful.

Upon motion by Director Warren, seconded by Director Theiss, after full discussion and the question being put to the Board, the Board voted unanimously to approve the General Manager's Report.

#### DIRECTOR'S REPORT

Director Steffes then distributed copies of his Director's Report, a copy of which is attached hereto. Director Steffes reported that all of the District's facilities were in good shape and noted only a few minor items that need attention.

Director Steffes then noted several problems pertaining to development sites in the District, including: 1) silt fencing throughout the District needs attention; 2) construction crews are not cleaning up after themselves; 3) many flush valves have missing caps throughout the District; and 4) the height of many meter boxes needs adjusting. Director Steffes reported that the TxDOT ditch clean-out work along FM 2920 should improve the flow of drainage throughout the District. In conclusion, Director Steffes reported that the Wal-Mart detention pond is in very good condition.

Mr. Conner then noted that the developer of the Wal-Mart project is getting ready to convey the Wal-Mart detention pond to the District. Ms. Bobbitt noted that a maintenance agreement for the Wal-Mart detention pond will need to be prepared, and that she still needs information on the commercial owners association related to the Wal-Mart development.

Upon motion by Director Schkade, seconded by Director Theiss, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Director's Report.

#### BOOKKEEPER'S REPORT

Ms. Jarmon next reviewed the Bookkeeper's Report with the Board, including the revenues and expenses of the District, the budget comparison, investment report and the checks being presented for payment, a copy of which is attached hereto. Ms. Jarmon reported that the monthly invoices had been sent to the various developers in the District for construction

management services and to those developers with outstanding balances for annexations, feasibility studies and/or easement acquisitions. Ms. Jarmon reported that Texas Mega Storage had paid its account in full. Ms. Jarmon also noted that she will void check nos. 9065 and 9134 to KB Home ("KB") and apply them against the amount of outstanding builder backcharges owed by KB.

Upon motion by Director Warren, seconded by Director Theiss, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, the investment report and the payment of the checks reflected therein.

Ms. Bobbitt then reported that Mr. and Mrs. William Paiko of Klein Aqua Four Partnership have accepted the District's offer of \$125,000 for the purchase of an 0.88-acre tract of land to be used for the Ditch "A" and Ditch "B" drainage improvement project. Ms. Bobbitt noted that Sterling Bank, the lienholder on the tract, has requested to have the taxes prorated and subtracted from the purchase price. Ms. Bobbitt also reported that Mr. Paiko has requested a Form 1099-S in connection with the sale of the property to the District, which her office will prepare. Ms. Bobbitt requested that the Board approve the issuance of a check payable to Sterling Bank for the purchase of the tract and that the amount of the check be left blank until the final amount is known. Ms. Jarmon stated she would prepare such check for the Board's execution. Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the execution and issuance of a check payable to Sterling Bank to be held by Ms. Jarmon pending receipt of the final purchase amount for the 0.88-acre tract of land.

Director Theiss then noted that as a member of the Theiss family, she is related to a great many people in the District, some of whom own property within the District and asked if this might be a problem for her in serving on the Board. Ms. Bobbitt thanked Director Theiss for disclosing the potential conflict and stated that her office would review such matter.

Ms. Hall then exited the meeting at 6:50 p.m.

#### OPERATOR'S REPORT

Ms. Sears next reviewed the Operator's Report for the month of April with the Board, including the termination list, copies of which are attached hereto. Ms. Sears reported that the District's four (4) month water accountability ratio was 90.6%, and that there were 10 sludge hauls during the prior month. Ms. Sears added that there are currently 3,860 connections in the District.

Ms. Sears then reported that a draft of the District's 2005 Consumer Confidence Report (the "CCR") is attached to the Operator's Report for the Board's review. Director Steffes reported that he had updated his President's message on the 2005 CCR. Ms. Bobbitt noted that she had a few revisions on the CCR that she would forward to Ms. Sears in the morning.

Ms. Sears then noted that in the future, the TCEQ Discharge Monitor Reports will be submitted online.

Upon motion by Director Warren, seconded by Director Theiss, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's Report and to authorize the termination of service to the delinquent accounts, in accordance with the provisions of the District's Rate Order, and to approve the 2005 CCR and the filing and distribution of same.

#### ENGINEER'S REPORT

The Board next recognized Mr. Peterson, who reviewed the Engineer's Report with the Board, a copy of which is attached hereto.

Mr. Peterson reported that he, Mr. Shackelford, Ms. Bobbitt and Mr. Conner had recently met with Messrs. Glunt and Hudson to discuss the provisions of the Fanta Annexation Agreement by and between the District and Fanta Partnership, dated February 10, 1983 (the "Fanta Agreement"). Ms. Bobbitt noted that she is still in the process of reviewing the Fanta Agreement concerning the District's obligations under such agreement regarding the 70-acre Fanta tract, which is currently under contract for purchase by Hudson and Glunt. Ms. Bobbitt also reported that she has placed a call to Mr. Tim Green, the attorney who wrote the Fanta Agreement, to discuss the terms and intent of the agreement. Ms. Bobbitt noted that she has also asked Jones & Carter to review the drainage criteria and requirements that were in place at the time the Fanta Agreement was executed in order to better determine the District's responsibilities and obligations under the terms of the agreement. Ms. Bobbitt stated that she hopes to have her conclusions for the Board's consideration within the next several weeks.

Concerning the status of the District's response to the North Harris County Regional Water Authority (the "NHCRWA") concerning the District's future water needs, Mr. Peterson reported that the water system analysis being prepared by Jones & Carter is nearly complete. Mr. Peterson reported that a follow-up meeting with the NHCRWA is planned to discuss various options available to provide additional water supply to the portion of the District that is located north of FM 2920.

Mr. Peterson then reported that Jones & Carter has sent additional information to the TCEQ regarding the District's eighth (8<sup>th</sup>) bond application report (the "BAR") and is waiting for a response from the reviewer concerning the approval of the BAR. Director Warren asked when the bonds could be issued. Mr. Shackelford responded that the bonds would likely be issued within the next six (6) months, if not before. Mr. Hudson asked Mr. Peterson to provide him a copy of the TCEQ letter requesting additional information on the BAR, along with the Jones & Carter response to such request.

Mr. Peterson then asked for authorization to begin design of the Ditch "A" and Ditch "B" drainage improvement project upon the District's acquisition of the 0.88-acre tract from the Paiko's.

Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report and to authorize Jones & Carter to proceed with the design of the Ditch "A" and Ditch "B" drainage project upon the District's acquisition of the 0.88-acre tract from the Paiko's.

## REVIEW AND DISCUSS RECOMMENDATIONS FOR AMENDMENTS TO DISTRICT'S RATE ORDER

Ms. Bobbitt then reported that Mr. Kasner is in the process of preparing a draft of a proposed Amended Rate Order, a copy of which will be distributed to the Board after Mr. Conner and Jones & Carter have an opportunity to review and comment on the proposed draft.

## ATTORNEY'S REPORT

Ms. Bobbitt then distributed copies of a memorandum concerning Senate Bill 286 regarding Open Government training requirements for elected and appointed public officials, a copy of which is attached hereto. Ms. Bobbitt stated that the directors who took their oaths of office prior to January 1, 2006 have one (1) year (until January 1, 2007) to complete the required one (1) hour Open Meeting Act and the one (1) hour Texas Public Information Act training, and that directors who take their oaths of office after January 1, 2006 have 90 days from the date they take the oath of office to complete the required training. Ms. Bobbitt stated that Directors Steffes, Warren and Theiss will have executed their oaths of office after January 1, 2006 and, therefore, will have 90 days from today's date to complete their training requirements, and that Directors Marks and Schkade will have until January 1, 2007 in which to complete their training requirements. Ms. Bobbitt explained that the directors can view the training videos at home, online, at the Association of Water Board Directors - Texas Summer Conference or at the JRPB offices, as outlined in the memorandum. Directors Steffes, Theiss and Warren indicated that they would come to JRPB on Friday, June 2, 2006, to view the training videos.

Mr. Almaguer then exited the meeting at 7:10 p.m.

## STATUS OF MISCELLANEOUS EASEMENT ACQUISITIONS

Mr. Peterson then explained that a sanitary sewer easement is needed to extend the District's sanitary sewer line to serve the Bridgestone Lakes Plaza commercial development in Bridgestone Lakes, Section 3. Ms. Bobbitt requested that the metes and bounds for such easement be forwarded to Ms. Allen for preparation of the easement document.

## REVIEW AND DISCUSS PROVISIONS OF RESOLUTION ESTABLISHING FEES OF OFFICE AND DISTRICT REIMBURSEMENT POLICY (THE "RESOLUTION")

Ms. Bobbitt stated that in light of the recent investigative report by Mr. Wayne Dolcefino of KTRK Channel 13, her office is reviewing the provisions of the Resolution concerning fees of office and reimbursement of expenses with all of her districts.

Upon motion by Director Warren, seconded by Director Schkade, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Attorney's Report.

MISCELLANEOUS MATTERS

Ms. Bobbitt then noted that the next regular meeting of the Board will be held on Tuesday, June 20, 2006, at 6:00 p.m. at the Bridgestone Community Center, and that a special meeting will be held on Tuesday, May 2, 2006, at the Bridgestone Community Center.

There being no further business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 20<sup>th</sup> day of June, 2006.

/s/Ronald W. Schkade

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Secretary, Board of Directors

(DISTRICT SEAL)

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