



## AWBD CONFERENCES

The Directors discussed the activities and topics of the Association of Water Board Directors ("AWBD") winter conference. Director Patton reported on the water reuse seminar he attended. Ms. Lightbody stated that the Director expenses submitted in connection with the winter conference were in compliance with the Authority's Travel Reimbursement Policy. Following discussion, Director Gay moved that the Board approve reimbursement of eligible expenses and authorize the Directors to attend the AWBD summer conference. Director Hebert seconded the motion, which was approved by unanimous vote.

## BOOKKEEPER'S REPORT

Ms. Lightbody next reviewed a bookkeeper's report, including a summary of investments, monthly receipts, and past due accounts, a copy of which is attached. Following review and discussion, Director Patton moved that the Board approve the bookkeeper's report and payment of the bills. Director Darden seconded the motion, which was approved by unanimous vote.

## APPROVE AMENDED EXHIBIT A TO THE DEPOSITORY PLEDGE AGREEMENT WITH TEXAS STATE BANK

Ms. Lightbody next reviewed an amended Exhibit A to the Depository Pledge Agreement with Texas State Bank, a copy of which is attached. Mr. Allen reviewed the exhibit and stated that it was satisfactory. Following review and discussion, Director Spell moved that the Board authorize execution of the amended exhibit. Director Patton seconded the motion, which was approved by unanimous vote.

## ADOPT POLICY ON WATER CONSERVATION KITS AND PURCHASE OF CREDITS

Mr. Allen reported that, as previously approved, a questionnaire was distributed to the utility districts located within the Authority to assist the Authority with the development of a policy on the purchase of Fort Bend Subsidence District ("FBSD") Water Wise Program conservation kits for the schools and the purchase of water conservation credits. He then reviewed a summary of the eleven responses received, a copy of which is attached. He stated that the summary indicates that credits for 1,074 kits are available for purchase for an estimated cost of \$35,173.50 ( $\$32.75 \times 1,074$ ). He stated that this would provide approximately 90,000,000 gallons of credit to the Authority. He stated that the Authority's goal to reduce groundwater pumpage by 30 percent in 2013 equates to approximately 13,000,000 per day, and accordingly, the credits produced by the purchase of the 1,074 kits represents approximately seven days of pumpage ( $90,000,000/13,000,000 = 6.9$  days). In response to a question from Mr. Allen, the Board concurred to request the non-responding utility districts to respond to the questionnaire so that the Authority can determine the next course of action. Mr.

Allen stated that the FBSD indicated that the Katy Independent School District (“KISD”) would not participate in the Water Wise Program during the current school year.

### ENGINEER’S REPORT

Mr. Scholler next presented the engineer’s report, including the monthly pumpage report, a list of wells located within the Authority that are not currently in service, a summary of activities and meetings, and upcoming events. A copy of the written engineer’s report is attached.

Mr. Scholler requested authorization to pursue the possibility of providing treated effluent from the Cinco South Wastewater Treatment Plant to the YMCA camp located within the Barker Reservoir to create a lake. He stated that the action needed would include, but not be limited to, determining whether the Texas Commission on Environmental Quality will permit the use and whether the loss of storage in the Barker Reservoir will require a permit and/or mitigation.

### ALTERNATIVE ANALYSIS

Mr. Scholler updated the Board on the status of the Alternative Analysis for Surface Water Conversion (“Alternative Analysis”) which includes development of detailed 2013 and 2025 population and water demand projections, development of a GIS/database system, and facilities planning. He stated that following the January 31, 2007, deadline for responses regarding participation in the Authority’s Groundwater Reduction Plan (“GRP”), the potential participants include Plantation Municipal Utility District and The George Foundation. He reported that Plantation Municipal Utility has not yet received consent from the City of Sugar Land to participate in the Authority’s GRP. He stated that it has been determined that only the portion of The George Foundation’s land that is not located within a city’s extraterritorial jurisdiction, with the exception of Thompsons, will be considered for potential participation in the Authority’s GRP. He stated that a detailed evaluation of the Authority’s overall needs is underway and will be ready for presentation at next month’s Board meeting. He stated that the presentation will not include a full GRP but will provide a summary of the analyses performed and recommendations.

Mr. Scholler stated that GRP participant demands have been finalized and that transmission line corridors and potential plant sites have been re-evaluated. He stated that Brazos River water quality is being analyzed to improve water treatment plant cost estimates, and the Brazos River gage data has been collected in an effort to improve required raw water storage estimates.

Mr. Scholler then updated the Board regarding discussions with the City of Houston concerning the purchase of water. He stated that the City of Houston indicated that it may be possible to purchase water through the City’s existing contract

with the West Harris County Regional Water Authority (“WHCRWA”). He stated that City representatives also indicated that the City of Houston could supply as much water as the Authority needs and currently has approximately 100,000,000 in excess capacity in their East Water Processing Plant. He stated that if the Authority purchases water through the WHCRWA contract, there would be a small administrative pass-through fee from the WHCRWA.

Discussion re-ensued regarding The George Foundation’s potential participation in the GRP. In response to a question from Director Hebert, Mr. Scholler stated that if The George Foundation sells its property to a high-use development, it could be difficult for the Authority to over-convert to surface water use in an amount large enough to serve The George Foundation’s needs. Mr. Allen then reviewed a draft contract with The George Foundation and summarized the terms. He stated that the draft has been sent to The George Foundation’s legal counsel, but comments have not yet been received. In response to a question from Director Houghton, Mr. Scholler stated that over-conversion for The George Foundation should not add cost to the Authority GRP participants. After discussion, the Board requested that Mr. Scholler prepare an analysis to determine whether there is a positive or a negative financial impact on the GRP participants for a projected over-conversion to serve The George Foundation.

Discussion then re-ensued regarding the possible Cinco Municipal Utility District No. 1 South Wastewater Treatment Plant effluent project. Mr. Allen stated that Cinco Municipal Utility District No. 1 is currently investigating a large-scale re-use project for the Central Wastewater Plant and recommended that the Board of Directors of Cinco Municipal Utility District No. 1 be consulted prior to authorizing B&G to commence a study. Director Gay stated that she would attend the next Cinco Municipal Utility District No. 1 Board meeting.

Mr. Allen reported that Grand Lakes Municipal Utility District No. 4 has indicated interest in entering into an agreement with the Authority for effluent re-use. After discussion, the Board requested Mr. Allen to draft such an agreement.

Following review and discussion, Director Hebert moved that the Board approve the engineer’s report as presented. Director Gay seconded the motion, which carried unanimously.

#### EFFLUENT REUSE

Mr. Allen next reviewed a Resolution Adopting Wastewater Treatment Plant Effluent Reuse Policy, a copy of which is attached. After review and discussion, and upon a motion made by Director Hebert and seconded by Director Patton, the Board voted unanimously to adopt the Resolution Adopting Wastewater Treatment Plant Effluent Reuse Policy.

## PUBLIC COMMUNICATIONS

Ms. Payne next updated the Board on the Authority's public communications. She stated that KISD has agreed to receive all of the available water conservation coloring books which is approximately 4,000. She volunteered to find out why KISD is not participating in the Water Wise Program. The Board agreed that Ms. Payne should discuss the Water Wise Program with KISD. Director Houghton requested placement of an updated boundary map of the Authority into the Authority's newsletter.

## REPORTS FROM DIRECTORS AND CONSULTANTS

Mr. Allen updated the Board regarding legislative matters and distributed a report on bills affecting the Authority. A copy of the report is attached. Discussion ensued regarding Directors' attendance at meetings on behalf of the Authority. After discussion, Director Patton moved that the Board authorize the payment of a per diem and reimbursement of expenses to Directors for attending meetings on behalf of the Authority, including, but not limited to, meetings with the City of Houston, The George Foundation, the WHCRWA, the City of Rosenberg, the City of Richmond, the Fort Bend Subsidence District, the Brazos River Authority, and with other entities either participating in the Authority's GRP or from which the Authority may purchase water, facilities, rights-of-way, etc. Director Gay seconded the motion, which passed by unanimous vote.

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

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Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes <u>Page</u>
Attendance sheet.....	1
Bookkeeper's report.....	2
Exhibit A to the Depository Pledge Agreement with Texas State Bank .....	2
Summary of responses to questionnaire .....	2
Engineer's report.....	3
Resolution Adopting Wastewater Treatment Plant Effluent Reuse Policy .....	4
Legislative report.....	5