



Control Number: 44322



Item Number: 7

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January 27, 2015

VIA HAND DELIVERY

Public Utility Commission
William B. Travis Building
1701 N. Congress
Austin, Texas 78701

RE: PUC Docket No. 44322
Amendment to Emergency Order Application – Exhibit “F”

To Whom It May Concern:

Earlier today, I filed an Amendment to the Emergency Order Application in which YES Prep Public Schools (“YES Prep”) is seeking an Emergency Order to compel Suburban Water Company to provide continuous and adequate water service to YES Prep’s North Central Campus by allowing Sunbelt Fresh Water Supply District to provide water service to the North Central Campus.

To further satisfy the requirements of 16 TAC §22.295(b), the minutes of the December 4, 2014 Sunbelt Fresh Water Supply District (“Sunbelt FWSD”) Board of Supervisors Meeting is attached hereto as Exhibit “F.” Discussion and coordination between YES Prep and Sunbelt FWSD is specifically referenced on pages 1, 4, and 5 of the December 4, 2014 Meeting Minutes.

Please update the Amendment to Emergency Order Application that I filed earlier today to also include this additional exhibit.

Sincerely,

Ty H. Embrey
Attorney for YES Prep Public Schools

cc: Les Romo, attorney for Suburban Water Company
Nicole Montgomery, General Counsel for YES Prep Public Schools Inc.
Elliot Barner, attorney for Sunbelt Fresh Water Supply District

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Exhibit “F”

**SUNBELT FRESH WATER SUPPLY DISTRICT
MINUTES OF MEETING OF BOARD OF SUPERVISORS**

December 4, 2014

The Board of Supervisors (individually referred to as "Supervisors," collectively, the "Board") of Sunbelt Fresh Water Supply District (the "District") met in a Regular Engineering and Operations Session, at 5:00 p.m., at 410 West Gulf Bank Road, Houston, Texas, on Thursday, December 4, 2014, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Janice Gloria	President
Linda Garrett	Vice-President
Nathan Wade	Secretary
Elizabeth Santiago	Asst. Secretary
William ("Bill") Kneer	Supervisor

All Board members were present, except Supervisor Bill Kneer. Also, attending were Mary Jane Mendoza ("Office Manager"); Carol Allen ("Administrative Assistant"); Elliot Barner of Radcliffe Bobbitt Adams Polley PLLC ("Attorney"); James R. Ainsworth and Justin Edwards of A&S Engineers, Inc. ("Engineer"); John Montgomery of Municipal Operations and Consulting ("Operator"); and public in attendance are as follows: Charles Klein and Keith Weaver of Yes Prep.

1. **The President, after finding that the notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order at 5:03 p.m. and declared it open for such business as may regularly come before it.**
2. **Public Comments:**
 - a) **Members of the public interested in speaking will be limited to three (3) minutes.**

Mr. Klein and Mr. Weaver with Yes Prep, came before the Board, to ask for potential water service. Yes Prep is currently in Suburban's CCN.

After a lengthy discussion, the Board with the advice of Sunbelt's attorney, indicated that they would service Yes Prep with the proper documentation through the courts.
3. **The President then directed the Board to consider approval of the minutes of prior meetings.**
 - a) A discussion ensued about the Engineering and Operations meetings of November 6, 2014.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors voting aye, the Board approved the minutes of the Engineering and Operations meeting of November 6, 2014, subject to certain corrections.

- b) A discussion ensued about the Engineering and Operations meetings of October 2, 2014.

Upon **MOTION** by Supervisor Santiago, seconded by Supervisor Wade, after full discussion, and with Supervisor Garrett abstaining, the Board ratified the minutes of the Engineering and Operations meeting of October 2, 2014, subject to certain corrections.

4. **Mr. Montgomery presented the Operators Report to the Board, a copy of which is attached hereto as Exhibit "A."**

A) General Operations, Maintenance & Repair Issues

- (1) Review overall water and wastewater operations.**

Mr. Montgomery reviewed pumpage, and overall water and wastewater operations with the Board.

- (2) Discuss water accountability issues and resolutions.**

Nothing to report at this time.

- (3) Discuss matters relating to Industrial Waste Order.**

Nothing to report at this time.

- (4) Discuss meter replacement program and take necessary action.**

Nothing to report at this time.

- (5) Discuss flushing program.**

Nothing to report at this time.

- (6) Discuss sod replacement and take necessary action.**

Sod repairs requested by customer at
1935 Twinbrooke (See attached picture)

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors present voting aye, the Board approved the sod repair for 1935 Twinbrooke.

B) Fairgreen/High Meadows Service Areas

- (1) Discuss JFK Road Sanitary Sewer Line**

This project will be discussed in the Engineers Report.

- (2) Discuss hydraulic cleaning and televising of sanitary sewer lines.**

Ongoing maintenance of system.

C) Heather Glen Service Area

- (1) Approve order Declaring Surplus Property and Authorizing Sale of Surplus Property.**

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors present voting aye, the Board approved Order Declaring Surplus Property and Authorized Sale of Surplus Property, of which is the surplus generator at the Heather Glen Plant to be sold to STP Services for the amount of \$1,000.00.

Supervisor Kneer came into the meeting at 5:39 p.m.

D) Northline Terrace Service Area

- (1) Discuss hydraulic cleaning and televising of sanitary sewer lines.**

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors present voting aye, the Board approved for maintenance at 436 Beaver Bend to dewater and sump pump to drain.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors present voting aye, the Board approved the temporary right of entry for a 0.852 acre tract of land adjoining the west line of that certain irregular wide fee strip previously conveyed from Robert L. Wiley to the Harris County Flood Control District by deed and being a part of the tract or parcel of land conveyed to Harris County Flood Control District by deed recorded under Clerk's File No. E822629, Official Public Record of Real Property, Harris County, Texas., a copy of which is attached as Exhibit "B".

E) Oakwilde Service Area

- (1) Discuss Hurlingham Water Plant Well No. 1.**

Mr. Montgomery has contacted Tami Lesak with TML regarding this claim once again on 12/4/2014, and she indicated that she had not forgot.

- (2) Discuss water capacity issues in Oakwilde Subdivision.**

Will be discussed in the engineering report.

F) Woodland Oaks Service Area

There was nothing to discuss at the time.

Upon a **MOTION** by Supervisor Santiago, seconded by Supervisor Wade, after a full discussion and with all Supervisors present voting aye, the Board approved the Operator's Report.

- 5. The Engineer's Report was next presented to the Board by Mr. Ainsworth, a copy of which is attached as Exhibit "C".**

a. REQUESTS FOR SERVICE

Discuss status of the service requests, review and approve service agreements, take necessary action.

(1) **High Meadows / Fairgreen Area**

(a) Aldine ISD Lauder Road school site and water line project

Plans remain ready for final approval from the CoH. Recordation of the easements noted below is required in order to obtain CoH signatures on the plans.

Status of remaining work items:

1) **Size & Recordation # or Prop Water Meter Station:**

The Attorney continues to work with the CoH to record this easement. We have provided an updated mylar drawing of the easement. This is in process at this time.

2) **CoH Water Contract # & copy of contract.**

Information was previously forwarded to CoH for change in contract for the Fairgreen/High Meadows area. We are stymied in obtaining any response from the CoH. As reviewed with the Board this has been an ongoing issue with the CoH.

We will proceed with the determination of what amount of water needed is due to regulatory requirements and what is due to new development.

(b) ICMC 4102 Aldine Mail Rt. (A&S Project 125161)

No change in the past period. We previously received an inquiry regarding service for this tract but the applicant has not submitted the design plans as required. Prior to this the communications were 4th quarter 2009. **This item is carried as a reminder.**

(c) Aldine ISD Service Request (A&S Project 125219)

Aldine ISD restated a readiness to move forward with the waterline and sewer projects and has concurred on options for allocations of costs to "partners." We have prepared and forwarded a funding /cash call memo to both Aldine ISD and EAMD. We have had additional conversations with AISD staff and are currently waiting on one final item – location of current water service connections in order to provide an updated opinion of costs for presentation at the December school board meeting. Based on AISD statements we expect to receive authorization to proceed with the design effort and will begin in January 2015 with the ordering of the field survey work. The construction dollars would be included in next budget to begin in July 2015.

The following is provided as a summary for the Board members and reflects previously presented information.

Water: On the water side, the proposed 12" line has to be looped. We reviewed this looping concept with EAMD which helps support their proposed central campus town center complex.

Wastewater: A new lift station with a force main is required. The lift station location and force main to Sunbelt's existing gravity system.

Yes Academy: Representatives will be at the board meeting to review issues they are having with the CCN holder. We have had discussions with East Aldine Management District. **Note: This item was discussed in public comment earlier in this meeting.**

St. Leo the Great Catholic Church: No change on this partner.

(d) Yes Academy / Church

Included in Item 5.a.(1)(c) above.

(e) 12235 Fern Meadow (A&S Project No. 125000)

No change. We continue to periodically monitor this site for overall compliance to District requirements.

(f) Proposal for Church Issues

No significant change this past period. We will continue to monitor with our Construction Observer for the area and with the Operator.

(g) 4102 Lauder Road

The Board has approved the service request for revised service and the Operator is handling the required inspections. This item can be removed from future agenda.

(h) "0" Aldine Mail Route (A&S Project 125254)

The Attorney previously revised the utility commitment letter. We have not had any follow-up communications with the applicant.

(2) Northline Terrace Area

(a) Service Request for 460 Gulf Bank (A&S Project 125193)

We received plans from the applicant and forwarded to the Operator. Our field representative previously inspected the site and had comments. All items are complete. This item can be removed from the agenda.

(b) Service request for 351 Gulf Bank (Joe's Wrecker Service)

The Applicant closed his business so that his home can continue to receive services. We have kept this item on the agenda as a reminder.

(3) **Oakwilde Area**

(a) North Houston Heights Law Office Request

No change in the past period. We previously contacted the Applicant who stated that they will be proceeding at a future date. To date we still have not seen any plans from the applicant. The Board previously approved a utility commitment for this tract.

(b) 11132 Aldine Westfield El Ahorro Supermarket (A&S Project 125249)

The Board previously approved the requested service. We have provided to the Applicant a project cost for line extensions and private lift station. The design for the force main has been approved by Harris County.

An on-site meeting with the Operator, Engineer, supermarket owner and their plumber was held December 1st to discuss proposed placement of the private lift station. It was quickly noted that additional on-site plumbing is necessary to ensure all plumbing fixtures from the supermarket building are routed to the proposed lift station. The plumber for the supermarket owner indicated he would determine existing flow lines of existing piping from the building. This will be discussed further at tonight's meeting.

Additionally, it was noted by the Operator that the supermarket owner will need to coordinate with the restaurant owner in order to have their grease trap routed to the proposed private lift station also. The supermarket owner indicated he would coordinate.

(c) 11611 Aldine Westfield (A&S Project 125265)

The Applicant has submitted the Application for Service. At the November 20th Board meeting the Board approved the request subject to compliance with the District Rate Order which includes changes to cover the cost of CoH water for new development. We are issuing the revised letter this week to the Applicant.

(4) **Heather Glen Area**

(a) Stripes (A&S Project 125189)

No change since the last meeting. At Stripes request, in September we updated the projected cost estimate (engineering and construction) for the proposed water plant improvements, waterline extension and force main and forwarded to Stripes.

(5) **Woodland Oaks Area**

(a) 7903 Breen Road (A&S Project 125236)

Plans are approved and have been provided to the Operator. The Operator is handling the service connections to water and sanitary sewer. The sanitary sewer will cross the Breen Road ROW. We will discuss this at the Board meeting.

(b) *Breen Road Tract-Weaverville (A&S Project 125266)*

There is a proposed development on the tract adjacent to the Woodland Oaks Water Plant #2. We previously had conversations with a representative but the application still is not returned.

b. HCCSD GRANT PROJECTS

Review status of projects, application issues, approve job assignment proposals, contracts, change orders, pay estimates and other required authorizations

(1) 2011 Disaster Recovery CDBG Applications (A&S Project 125211)

Project status unchanged in the last 30 days. The Contractor provided construction schedule call for delivery of the EPG mid-January 2015 with substantial completion within 30 days.

(2) PY 2014 CDBG Application (A&S Project No. 125221)

The project was publicly advertised and bids received and opened on October 16th. At the October 16th Board meeting, we were directed to proceed with the award of the project to PM Construction in lieu of the apparent low bidder, North Houston Pole.

We have submitted two letter requests to HCCSD for approval to issue the Notice of Award to PM Construction, the second low bidder. We will be working on a third request to add even more specificity as requested. We do request that the Board approve the issuance of a Board letter stating this request as well.

ACTION ITEM: Approve issuance of a Board letter requesting proceeding with issuance of Notice of Award to PM Construction in lieu of North Houston Pole.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Kneer, after full discussion, and with all Supervisors voting aye, the Board approved the issuance of a Board letter requesting proceeding with issuance of Notice of Award to PM Construction in lieu of North Houston Pole, subject to HCCSD approval.

Mr. Montgomery left the meeting at 6:07 p.m.

(3) PY 2015 CDBG Application

HCCSD has selected the Oakwilde Sewer Rehabilitation Phase VII for the approved grant listing to be publicly reviewed. The grant amount is \$525,000.

(4) PY 2017 CDBG Application

Sunbelt FWSD was previously approved for a PY 2017 CDBG in the amount of \$525,000.

c. **TEXAS WATER DEVELOPMENT BOARD ISSUES**

We have not completed an update in the past period.

d. **MISCELLANEOUS PROJECTS**

Discuss the status of the following issues and take necessary action:

(1) **General District Matters**

(a) TCEQ Agreed Order compliance and reporting (A&S Project 125116)

Quarterly Report dated October 31, 2014 has been submitted. The next report is due January 31, 2015.

We and the Operator continue to work to track, document, and close the items or supply additional documentation to close the items.

(b) Request for water capacity from City of Houston

The Attorney reviewed this status of the November 20th Board meeting. We are working on the allocations of requests due to regulatory compliance issues versus new development. We still have not officially received any response to specific requests that have been submitted to the CoH.

We provide the following information as reminder of previously provided Supervisor information. Sunbelt FWSD requires two additional City of Houston connection points. One for the Fairgreen – High Meadow Service area and the second is for the Woodland Oaks Service area.

We previously requested from the CoH a second connection point for Woodland Oaks service area. We have had exchanges of information and continuing to push the CoH to the extent possible.

The High Meadows – Fairgreen request has been submitted to the CoH. The revised requested amount is 8.5 million gallons per month with a peaking condition of 0.5 million gallons per day. This number is based upon the ACR as approved by TCEQ, 0.46 gpm/connection instead of 0.6 gpm/connection.

With the Operator's input we finalized the volume amount for the Oakwilde Service Area. We submitted a request to the CoH for 3.0 million gallons per month with a peaking condition of 0.5 million gallons per day. This increase takes into account the TCEQ approved for the Oakwilde Alternate Capacity Request and the water capacity for the new well as discussed in Agenda Items 5.d.(6)(c) and 5.d.(6)(d).

(c) Review and discuss connection counts and capacities

No significant change this period. We completed the current connection counts, by installed meters, for Oakwilde, Fairgreen-High Meadows, and Woodland Oaks. Northline Terrace, Heather Glen and Oak Glen still remain to be completed and will be addressed after ACR's and water contract updates are resolved with the CoH.

(d) Asset Management Plans by Service Area

We have completed the Asset Management Plans for the remainder of the Sunbelt Service Areas after receipt of Operator comments. We will review at least annual or as new facilities are added to the Sunbelt's service areas.

If the Supervisors have no comments we recommend that this agenda item be removed from future agenda.

(2) Fairgreen/High Meadows Service Area Matters

(a) Marquita Water Plant (A&S Project 125179)

No change this past period. This project is ready for public bidding when so directed by the Board.

The opinion of construction costs for this package that includes a new 83,000 gallon GST (galvanized-bolted), new 10,000 gallon hydro-pneumatic tank with the associated piping and electrical/control modifications is \$140,700. The project is currently on hold pending determination of a funding source. We did not refresh the projected contract amount during the next period.

(b) JFK MUD Water Line Extension (A&S Project 125212)

Clay Development, on behalf of JFK MUD, provided 100% of the required funding. Construction is complete. We have received, reviewed and recommend payment of Pay Estimate No. 2 Final in the amount of \$88,090.30. All required closeout documents have been received. We recommend that final payment be held and the Certificate of Completion be held until this final payment is received by Sunbelt FWSD.

Vaca Construction has received the Sunbelt invoice for damages associated with the damage to the force main located in JFK Blvd but payment has not been received to date. We are holding finaling this project until payment for damages is received.

ACTION ITEM: 1) Approve and pay Vaca Construction's Pay Estimate No. 2 Final in the amount of \$88,090.30. 2) Approve issuance of Certificate of Completion for subject project. 3) Hold items 1) and 2) until payment from Vaca Construction is received to cover damages associated with JFK Boulevard.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors voting aye, the Board approved to pay Vaca Construction's pay estimate No. 2 Final in the amount of \$88,090.30.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors voting aye, the Board approved to issuance of Certificate of Completion for subject project.

Upon **MOTION** by Supervisor Garrett, seconded by Supervisor Santiago, after full discussion, and with all Supervisors voting aye, the Board approved to hold items 1 and 2 until payment from Vaca Construction is received to cover damages associated with JFK Boulevard.

(c) JFK MUD Sanitary Sewer/Force Main Project (A&S Project 125222)

The project is complete and finalized. This item can be removed from future agenda.

(d) Alternative Water Capacity Request to the TCEQ

The Fairgreen – High Meadows Alternate Capacity Request was previously approved by the TCEQ for a rate of 0.46 gpm per connection in lieu of the mandated 0.60 gpm per connection. We keep this item in the report for evaluation on the impact on water supply options with the well and the surface water increase requests to the CoH.

(e) High Meadows Discharge Permit (A&S Project 125008.17)

The TCEQ has declared the application administratively complete. We are preparing the first public advertisement at this time. The permit renewal is on schedule.

(3) Fairgreen Service Area Matters

(a) Discuss Fairgreen WWTP Lift Station (A&S Project 125223)

The contract is executed with RJ Construction. The contract has been executed. Clay Development is funding this project on behalf of JFK MUD. The contractor mobilized and work is underway. We just approved the reinforcing steel resubmittal. The contractor is behind schedule. There will be weather days but currently the substantial completion date is December 13, 2014. We are sending the Contractor a

letter notifying of his schedule issues and requesting a revised pay estimate and a request for weather days.

(b) Discharge Permit Renewal (A&S Project 125008.16)

Second publication is complete. The Operator completed additional requested testing related to pH and it has been forwarded to the TCEQ. We are waiting on TCEQ and USEPA comments to the submitted test data. The permit renewal remains on schedule.

(4) Northline Terrace Service Area Matters

(a) Texas Department of Transportation Gulf Bank Expansion (A&S Project No. 125233)

There is no change this period. We were previously advised that this project is no longer on the letter schedule as is not funded at this time. TxDOT has advised me that they will contact me when funding is secured. We are keeping on the agenda as a reminder / place holder item.

(b) Harris County Gulf Bank/Sweetwater project (A&S Project 125193)
Harris County informed us of a revised schedule. There is an Aldine ID / TxDOT project to add left turn lanes on Gulf Bank onto Sweetwater which is expected to be underway in the very near future. This will be followed by Harris County project to add left turn lanes on Sweetwater to Gulf Bank.

(c) Discuss City of Houston/Northline capacity

No change during the past period. We have not yet completed the surface water request adjustment for an increase in the CoH take amount for the Northline Terrace Service area. We are currently working on the ACR with will affect the volume of water requested.

(5) Oak Glen Service Area Matters

(a) Harris County Aldine Mail Road project (A&S Project 125217)

Harris County previously reported that the project is restarting and will be divided into two projects – east of Lillja and west of Lillja. Sunbelt facilities are impacted in the project west of Lillja.

There is no update or change this past period on this project. We met with the Harris County design consulting engineer on August 13th and have had subsequent conversations regarding the options for relocation of the existing waterline located on the north side of Aldine Mail. It appears that some accommodation can be made as to having enough space to locate the waterline. At this time, we have not received revised plans to review.

(6) **Oakwilde Service Area Matters**

(a) Wastewater Treatment Plant (A&S Project 125175)

No significant change in the past period. The Board approved a 700,000 gpd facility to replace the existing Oakwilde WWTF. The budget cost for this facility (construction and associated soft costs) is \$4,900,000. We continue with design and supporting plans and contract manual to the TWDB. The plans remain at approximately 95% complete. We are having design issues on the City of Houston lift station criteria. The submittal package has not been submitted to the CoH and Harris County.

(b) Water Quality Issues

We are carrying this as a reminder item for the Oakwilde Service Area.

(c) Water Supply Variance Request (ACR)

No significant change this period. The TCEQ approved the Variance Request to lower the TCEQ water supply criteria from 0.60 gpm to 0.430 gpm per connection.

We continue reviewing the total water demands on the service area regarding the proposed well at Seven Mile Plant and determinations of regulatory increases and development increases. The Operator has met with the TCEQ and we are also evaluating their "modified" requirements vis-a-vis needed requests increases for increases in CoH supply contract in conjunction with the possible EAMD funded new water well at Oakwilde Seven Mile Water Plant.

(d) Discuss East Aldine Management District Agreement and Improvements

i. Proposed Improvements to Seven Mile Water Plant

No technical change this past period.

We prepared exhibits and documentation to support the water plant improvement requests to EAMD. With Alsay's assistance, we developed an approach to define the costs of improvements to the Oakwilde Seven Mile Water Plant. These improvements include the following: water well (1,000 gpm minimum), a ground storage tank, booster pumps, new electrical service, and upgrades to existing electrical as well as numerous site modifications. Remaining issues include design parameter problems for the site configuration. The Board approved that in consideration for its participation that EAMD receives capacity in the water supply system of 500 connections. We proposed to EAMD that two or more contract packages be established to stretch out the financial impact to the extent possible. We proposed that the first

contract be drilling the water well. At this time the total projected cost is \$2,905,000.

The Attorney forwarded to EAMD proposed funding requirements and general timelines. We updated the timeline detailing the need for cash calls and forwarded to EAMD.

ii. Discuss Agreement to Fund New Water Plant

No change during the past period. Review continues on the draft agreement between EAMD and Sunbelt FWSD for the funding of Oakwilde Water Plant improvements.

(e) TWDB EDAP Application for Westfield Estates (A&S Project 125197)

No significant change the past period. We still need input from EAMD on certain items. We are stopped on the development of the TWDB loan application package awaiting needed information. We will go with EAMD personnel to Austin for the pre-application meeting.

(f) Oakwilde Discharge Permit (A&S Project 125008-18)

The TCEQ has declared the application administratively complete. We are preparing the first public advertisement at this time. The permit renewal is on schedule.

(7) Woodland Oaks Service Area Matters

(a) Wastewater Treatment Plant (A&S Project 125171)

The Board approved a 600,000 gpd facility to replace the existing Woodland Oaks WWTF. The prior budget cost for this facility (construction and associated soft costs) is \$4,100,000. We issued the Notice of Award per Board direction. Contractor insurance and bonds were subsequently reviewed and approved by the Attorney.

The Notice to Proceed was issued for November 3rd. The Contractor has mobilized and work is underway. We have received, reviewed and recommend payment of Estimate No. 1 in the amount of \$174,690.00. This amount reflects 10% retainage.

ACTION ITEM: Approve and pay RP Constructors' Estimate No. 1 in the amount of \$174,690.00.

Upon **MOTION** by Supervisor Wade, seconded by Supervisor Kneer, after full discussion, and with all Supervisors voting aye, the Board approved to pay RP Constructors' pay Estimate No. 1 in the amount of \$174,690.00., a copy of which is attached as Exhibit "D".

(b) Woodland Oaks Water Plant No. 2 (A&S Project 125208)

Work continues on the construction of the water plant. We continue working with the Attorney on the water supply contract amendment.

(c) Alternative Water Capacity Request to the TCEQ

The TCEQ previously approved the Woodland Oaks Alternate Capacity Request with a rate of 0.50 gpm per connection in lieu of the mandated 0.60 gpm per connection. We keep this item on the agenda as part of the impact on water supply options with the well and the requests to the CoH.

Other Items:

1. **Project Accounting:** The status of the total financial expenditures including the TWDB loans, HCCSD grants and Sunbelt operating funds have not been updated.
2. **Coordination with JFK MUD:** We continue to coordinate items with JFK MUD as related to the contract for connections and additional facilities. We have had extensive conversations and coordination with Clay Development and its detention pond contractor regarding access to the wastewater treatment facility.
3. **Northline Terrace Water and Sewer Systems:** No change in the past period. We need Operator input for additions to water and sewer system maps to better assure that we have all the Northline Terrace facilities documented.
4. **Solid Waste Facility:** No significant change in the past period. We are suggesting that construction not go forward until the WTF plans are approved by the appropriate agencies.
5. **Well Plugging Reports:** This effort is an ongoing effort as time allows. We are continuing to work with the Operator and agency data bases to secure documentation on plugged well.
6. **Airline Irrigation Service:** We continued coordination with the TxDOT contractor for an irrigation tap and service.

Upon a **MOTION** by Supervisor Santiago, seconded by Supervisor Wade, after a full discussion and with all Supervisors present voting aye, the Board approved the Engineer's Report.

Supervisor Santiago left the meeting at 6:34 p.m.

6. Employment/Office Matters

a) Discuss employee/office matters, including any employment policy issues

It was brought to the Board attention that the Engineering and Operations meeting would be falling on Thursday, January 1, 2015. There was a slight discussion, and it was decided that the Engineering and Operations meeting would be moved to Tuesday, January 6, 2015.

b) Discuss and consider employee training courses

None at this time.

7. Miscellaneous Business/Annual Agenda

No update at this time.

8. Additional Public Comment

a) Members of the public interested in speaking will be limited to three (3) minutes
None at this time.

b) Supervisors' response to public comment.
None at this time.

9. Next Meeting Agenda Items

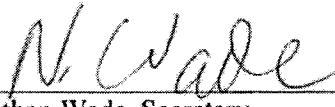
None mentioned

10. Executive/Closed Session

No Executive/Closed Session was required at this time.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 6:46 p.m.

PASSED AND APPROVED this 6th day of January, 2015.



Nathan Wade, Secretary
Sunbelt F. W. S. D.

EXHIBITS

- A - Operator's Report
- B- Temporary Right of Entry
- C - Engineer's Report
- D- Pay Estimate No. 1, for RP Constructors'