

**MINUTES OF  
SPECIAL MEETING  
SEPTEMBER 27, 1995**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 27th day of September, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

Absent:           None

Staff:	Manager	Jim Edmonson
	Administrative Asst.	Mary Moss
	Attorney	Charles Zahn
	Engineer	Jim Urban

Visitors:       None

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Employee  
Awards**

Mr. Furlow presented Certificates of Achievement to the following employees for their respective years of service to the District.

Kenneth Claypool	5 Years of Service
David Hinojosa	10 Years of Service
Pat Mathews	15 Years of Service
Adan Gomez (absent)	15 Years of Service

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Brown to approve the minutes of the August 22nd, 1995 meeting. The motion carried unanimously. (Minutes were mailed to each director prior to the meeting.)

**1995/95  
Budget**

Mr. Edmonson presented the 1995/96 Proposed Budget for review. A proposed rate increase was also recommended. After a thorough discussion and review, Mr. Reed made a motion to approve the Budget as presented which included the August Financial Report. Included in the motion was a note that the manager receive ten (10) additional days of vacation in lieu of a monetary raise in his annual salary. Mrs. Taylor seconded the motion and it carried unanimously. (A copy of the Budget is attached and becomes a permanent part of these minutes.)

**Rate  
Increases**

A motion was made by Mr. Reed and seconded by Mrs. Taylor to adopt a Resolution and Order executing an increase in rates as recommended by the staff. The motion carried unanimously. (The Resolution and Order is attached and becomes a permanent part of these minutes.)

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

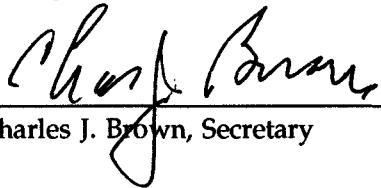
**Manager's  
Report**

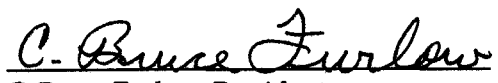
Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

  
\_\_\_\_\_  
C. Bruce Furlow, President

# **1995/96 GENERAL FUND BUDGET SUMMARY**

## **REVENUES**

Service Revenues	<b>1,775,750</b>
Tap Connection Fees	<b>25,000</b>
Bulk Water Sales	<b>115,500</b>
Other Revenues	<b>13,100</b>
<b>TOTAL REVENUES</b>	<b>1,929,350</b>

## **EXPENDITURES**

Water Purchased	<b>499,000</b>
Personnel Cost	<b>535,800</b>
Professional Fees	<b>62,000</b>
Purchased & Contracted	<b>164,140</b>
Recurring Operations	<b>276,500</b>
Capital Outlay	<b>76,500</b>
LS #4 Contingency	<b>15,000</b>
Transfer/Capital Projects	<b>300,410</b>
<b>TOTAL EXPENDITURES</b>	<b>1,929,350</b>

**1995 - 1996 PROPOSED BUDGET**

Account	1994/95	1994/95	%	1995/96	Notes	Current	Proposed
	Projected	Budget	to YE	Prop Budget		Rates	Rate Inc
	Year End			w/ Rate Inc			1 5% mlt+4000 gal
<b>Revenues:</b>				5% inc min \$ -4000 gal			
				5% wtr inc			
				7% swr inc			
Water Service	1,150,947	1,188,000	-3%	1,214,000	Proj YE+2% growth	Min res bill \$21.00	\$22.00
Sewer Service	516,458	531,700	-3%	545,000	Proj YE+1% growth	5,000 res bill \$21.00	\$25.65
Water Tap	16,711	10,000	67%	15,000	Conservative	8,000 res bill \$31.38	\$36.60
Sewer Tap	12,324	7,000	76%	10,000	Conservative	12,000 res bill \$42.70	\$48.50
Inspections	830	750	11%	750	Budget	15,000 res bill \$49.30	
Reconnects	9,796	8,000	22%	9,000	Conservative		
Other Service	7,560	2,400	215%	7,000	Conservative		
MI Drilling	23,221	22,100	5%	23,100	Contr+10%		
Brown & Root	33,170	22,100	50%	23,100	Contr+10%		
Harbor Island	83,180	66,200	26%	69,300	Contr+10%		
Bldg Permits	0	0	0%	0			
Interest	13,120	10,400	26%	13,100	Proj YE		
Sale of Material	106	0	0%	0			
Sale of GFA	575	0	0%	0			
Cash	6	0	0%	0			
Other	510	0	0%	0			
Activity Fund	-216	0	0%	0			
<b>Total Revenues</b>	<b>1,868,300</b>	<b>1,868,650</b>	<b>0%</b>	<b>1,929,350</b>			
<b>Expenditures:</b>							
Total Water	431,022	483,000	-11%	499,000	Analysis w/proj rate inc		
<b>Personnel Cost:</b>							
Salaries	394,938	393,200	0%	419,500	per wage schedule		
Retirement	27,162	27,100	0%	30,400	0.0727		
Insurance	30,482	31,000	-2%	36,300	new rates		
FICA	30,212	30,100	0%	32,100	0.0765		
Workers Comp	12,504	13,800	-9%	10,800	per contract		
Uniforms	4,654	4,600	1%	6,100	8.58/emp/wk + caps		
TEC	742	2,300	-68%	600	17*9000*.004		
<b>Total</b>	<b>500,694</b>	<b>502,100</b>	<b>0%</b>	<b>535,800</b>	<b>0.06 inc from YE</b>		



**1995 - 1996 PROPOSED BUDGET**

Account	1994/95	1994/95	%	1995/96	Notes
	<b>Projected</b>	<b>Budget</b>	<b>to YE</b>	<b>Prop Budget</b>	
	<b>Year End</b>			<b>w/ Rate Inc</b>	
<b>Professional Cost:</b>					
Legal	22,524	15,000	50%	25,000	20K/Flato-Annex + 5K/othr
Engineering	9,777	21,800	-55%	15,000	
Auditing	9,000	12,000	-25%	12,000	9K contr +3K
Consultant	150	10,000	0%	10,000	Comptr Programing/Misc
<b>Total</b>	<b>41,450</b>	<b>58,800</b>	<b>-30%</b>	<b>62,000</b>	
<b>Repair &amp; Maint Cost:</b>					
System	57,882	63,200	-8%	68,300	55000+13300 per list
Equipment	44,062	54,100	-19%	59,100	Proj YE+15000 per list
Trucks	7,501	7,100	6%	7,000	Budget
Meters	2,813	4,400	-36%	3,000	Proj YE+ 5%
Buildings & Grounds	6,048	15,000	-60%	10,300	6000+4300 per list
Small Tools	4,039	4,000	1%	4,500	Per list
Lawn Maintenance	11,940	11,940	0%	11,940	995. *12
<b>Total</b>	<b>134,285</b>	<b>159,740</b>	<b>-16%</b>	<b>164,140</b>	
<b>Recurring Operations:</b>					
Insurance	21,351	20,700	3%	22,400	Proj YE + 5%
Notices & Recordings	376	500	-25%	500	Budget
Elections	0	0	0%	1,000	Furlow, Miget, Reed
Cleaning Services	4,554	5,000	-9%	5,000	Budget
WMTP Lab Supplies	5,088	7,000	-27%	6,000	Proj YE + 10%
Water Samples	1,351	1,300	4%	1,300	108@9 & 20@15
Lubricants & Solvents	3,208	0	0%	3,400	Proj YE + 5%
Fuel	9,297	8,700	7%	9,300	Proj YE
Chemicals	17,320	19,600	-12%	19,600	Lst yrs Budget
Electricity	120,366	147,180	-18%	147,200	Large rebate this year
Telephone	5,485	5,000	10%	5,800	add Cell phones
Sanitation	3,448	3,100	11%	3,600	Proj YE + 5%
Gas	356	350	2%	400	Proj YE + 5%
Operations Supplies	5,128	0	0%	5,400	Proj YE + 5%
Schools & Seminars	1,934	2,500	-23%	2,500	Budget

**1995 - 1996 PROPOSED BUDGET**

Account	1994/95	1994/95	%	1995/96	Notes
	<b>Projected</b>	<b>Budget</b>	<b>to YE</b>	<b>Prop Budget</b>	
	<b>Year End</b>			<b>w/ Rate Inc</b>	
Milage	442	900	-51%	900	Budget
TWC Assessment	8,903	9,200	-3%	9,200	.005 of W/S Revenues
Permits	9,293	9,423	-1%	10,000	Per analysis
Land-Lease Payments	974	1,000	-3%	1,100	10% inc per lease agmt
Other Expenses	3,980	5,500	-28%	5,500	Budget
Dues & Publications	1,312	1,700	-23%	1,700	Budget
Conservation & Education	583	2,000	-71%	2,000	Budget
Office Supplies	4,528	6,000	-25%	6,000	Budget
Postage	6,341	6,300	1%	6,700	Proj YE + 5%
<b>Total</b>	<b>235,615</b>	<b>262,953</b>	<b>-10%</b>	<b>276,500</b>	
<b>Capital Outlay Cost:</b>					
Wtr/Swr Taps	12,083	9,400	29%	10,500	Pro YE + 10%
Vehicle	43,061	44,200	-3%	28,000	F350 truck + Holst & crane
Major Equipment	17,757	19,100	-7%	7,000	misc 5,000 + 2,000 pump trlr
MI Tower Bldg	8,385	9,000	-7%	0	
Computer / Printer	27,534	28,550	-4%	5,000	printer
Pole Barn @ WWTP				15,000	
Furniture				6,000	Ofc Comptr Desks & Lab Stool
Telephone System				5,000	
<b>Total</b>	<b>108,819</b>	<b>110,250</b>	<b>-1%</b>	<b>76,500</b>	
LS #4 Contingency	0	0		15,000	Replacement pumps
<b>Subtotal Exp</b>	<b>1,451,885</b>	<b>1,576,843</b>	<b>-8%</b>	<b>1,628,940</b>	
<b>Capital Projects</b>					
Transfer:	416,414	291,808	43%	300,410	
<b>Total Expenditures</b>	<b>1,868,299</b>	<b>1,868,650</b>	<b>0%</b>	<b>1,929,350</b>	
Over/(Under)	0	0		0	
<b>Fund Balance</b>	<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	

## CAPITAL PROJECTS FUND

### PROJECTED 94/95 YEAR END

Fund Balance at October 1, 1994	313,690
REVENUES:	
Transfer from General Fund	416,414
Interest Income	<u>13,000</u>
Total Funds Available	743,104
EXPENDITURES:	
Tank Maintenance (Cont-45,000;Paint-9,249)	54,249
1994 Sewer Renovations Carryover (Total Contract w/Cg Ord 472,446+Eng 37,796)	201,862
1995 Sewer Renovation Project Oakes & Brundrett & Ave J (Cost 50,193 + Eng 4,086)-completed Hwy 361 & Lift Station (Bid 296,504 + Eng 23,720)	72,966
TOTAL EXPENDITURES	<u>329,077</u>
Projected Fund Balance at 9/30/95	414,027

### PROPOSED 1995/96 BUDGET

REVENUES:	
Transfer from General Fund	300,410
Interest Income	<u>12,000</u>
Total Funds Available	726,437
EXPENDITURES:	
Tank Maintenance (Contr-45,000; paint-10,000)	55,000
1995 Sewer Renovation Carryover (Total Bid 346,697+Eng 27,806=374,503)	301,537
Comprehensive Future Water & Sewer Plan	39,500
NWWTP Post Aeration Project (Construction 25,000+Eng-3,000)	<u>28,000</u>
TOTAL EXPENDITURES	424,037
Projected Fund Balance at 9/30/96	302,400

# RESOLUTION AND ORDER

## AMENDING WATER AND WASTEWATER RATES

---

On the 27th day of September, 1995 the Board of Directors of the Nueces County Water Control & Improvement District No. 4, convened in a Special Meeting being open to the public at the regular meeting place thereof in said District, with the following members of the Board present:

<u>President</u>	<u>Bruce Furlow</u>
<u>Vice President</u>	<u>Russ Miget</u>
<u>Secretary</u>	<u>Charles J. Brown</u>
<u>Secretary Pro-tem</u>	<u>Lucille Taylor</u>
<u>Director</u>	<u>Ed Reed</u>

The President of the Board presented an order amending the water and wastewater rates. Minutes of the September 27th, 1995 meeting reflect the amended rates. Therefore, the Board of Directors organized a resolution to legally establish the amended rates.

The resolution and order was read in full and, after a full discussion thereof, Ed Reed made a motion that it be adopted. The motion was seconded by Lucille Taylor. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 5 -  
Nayes: - 0 -

The President then declared the resolution and order finally passed and adopted. The resolution is as follows;

Water and Wastewater rates are amended as listed on the attached Rate Schedule and are effective with the November 1st, 1995 billing.

Passed and approved by the Board of Directors of the Nueces County Water Control & Improvement District No. 4 on the 27th day of September, 1995.

ATTEST:

Charles J. Brown  
Charles J. Brown, Secretary

C. Bruce Furlow  
C. Bruce Furlow, President

**NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4**  
**RATE SCHEDULE**

---

**WATER RATES**

<u>Code</u>	<u>Meter Size</u>	<u>Minimum</u>	<u>Connect Fee</u> <sup>1</sup>	<u>Taps</u> <sup>2</sup>
B	5/8	11.00	15.00	N/A
C	3/4	11.00	15.00	441.38
D	1"	25.50	15.00	475.00
E	1&1/2	50.90	25.00	750.00 <sup>3</sup>
F	2"	101.90	25.00	1,000.00 <sup>3</sup>
G	3"	201.40	25.00	1,000.00 <sup>3</sup>
H	4"	402.90	25.00	1,000.00 <sup>3</sup>
I	6"	628.60	25.00	1,000.00 <sup>3</sup>

**PLUS** \$2.30 for each 1,000 gallons over the minimum of 4,000 gallons.

- <sup>1</sup> This charge will be doubled for unauthorized connections and regular connections after business hours, weekends and holidays. Delinquent connect charge is \$20.00.
- <sup>2</sup> Plus Capital Impact Fees if applicable. If street repaving is required, actual cost will be invoiced to customer. If boring under the street is utilized, a charge of \$200.00 will be invoiced to the customer
- <sup>3</sup> Minimum charge. Final charge will be based on actual cost of the installation and cost over minimum will be invoiced to the customer.

**CONSTRUCTION METERS** (2" meter on fire hydrant) - \$3.70 for each 1,000 gallons over the minimum of 4,000 gallons. \$325.00 deposit required (includes \$100.00 for City of Port Aransas to cover fire hydrant).

---

**WASTEWATER RATES**

**SEWER TAPS** <sup>2</sup> 4" - \$590.00 6" - \$635.00<sup>3</sup>

**RESIDENTIAL** - Code G (single family): \$11.00 - minimum **PLUS** \$1.35 for each 1,000 gallons over the minimum of 4,000 gallons with a maximum charge of \$19.10 for 10,000 gallons.

**ALL OTHERS** - Code H: \$18.50 - minimum **PLUS** \$1.35 for each 1,000 gallons over the minimum of 4,000 gallons with no maximum charge. Contracted (out of District) rate is \$2.85 per 1,000 gallons.

**LIQUID WASTE** - Annual Fee: \$25.00, Disposal Fee: \$25.00 per 500 gallons or portion thereof.

**MINUTES OF  
REGULAR MEETING**

**AUGUST 22, 1995**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 22nd day of August, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	Secretary	Charles Brown
	Secretary Pro-tem	Lucille Taylor
	Director	Ed Reed
Absent:	President	Bruce Furlow
	Vice President	Russ Miget
Staff:	Manager	Jim Edmonson
	Administrative Asst.	Mary Moss
	Attorney	Charles Zahn
	Engineer	Jim Urban
Visitor:	None	

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Brown pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mrs. Taylor to approve the minutes of the May 9th, 1995 meeting. The motion carried unanimously. (Minutes were mailed to each director prior to the meeting.)

**1995 Tax  
Rate**

Mr. Edmonson presented the 1995 Appraised Valuation and Tax Study. After discussion and review, Mr. Brown made a motion to approve the Resolution and Order Setting the 1995 Tax Rate at \$0.07464. Mrs. Taylor seconded the motion and it carried unanimously. (A copy of the Resolution and Order is attached and becomes a permanent part of these minutes.)

**Attorney  
Contracts**

Mr. Edmonson presented one year contracts for Attorneys Craig Williams and Charles W. Zahn, Jr. which remained at their existing hourly rates. Mr. Reed made a motion, seconded by Mrs. Taylor to approve the contracts. The motion carried unanimously. (Copies of the contracts are on file in the District Office.)

**Bulk Water  
Contracts**

Mr. Edmonson reviewed the renewals of existing bulk water contracts and informed the Board of Coastwide Marine's purchase of M I Drilling 's facilities. No action was taken.

**Response to  
Applications  
for Service**

A Resolution on Response to Applications for Water and Sewer Service Made to the District was presented as requested at the last Board meeting. After discussion, Mrs. Taylor made a motion to adopt the Resolution. Mr. Reed seconded the motion and it carried unanimously. (A copy of the Resolution is attached and becomes a permanent part of these minutes.)

**Financial  
Report**

Mr. Edmonson presented the financial reports for April through July. After review, Mrs. Taylor made a motion seconded by Mr. Reed to approve the reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

**Manager's  
Report**

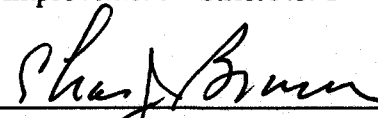
Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

ATTEST:

  
\_\_\_\_\_  
Lucille Taylor, Secretary Pro-tem

Nueces County Water Control  
& Improvement District No. 4

  
\_\_\_\_\_  
Charles J. Brown, Secretary

NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

RESOLUTION AND ORDER  
SETTING THE 1995 TAX RATE

On the 22nd day of August 1995, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

Secretary	Charles J. Brown
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

and the following absent:

President	C. Bruce Furlow
Vice President	Russell Miget

constituting a quorum, and among other proceedings had, were the following:

The Secretary of the Board presented a resolution and order setting the 1995 tax rate. Minutes of the August 22nd, 1995 meeting reflect the tax rate for the year 1995.

The resolution and order was read in full and, after full discussion thereof,

Mr. Brown made a motion that it be adopted. The motion was seconded by Mrs. Taylor. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 3 -

Nayes: - 0 -

The Secretary then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

BE IT ORDERED by the Board of Directors of the Nueces County Water Control And Improvement District No. 4:

There is hereby levied on the assessed value of all property, both real and personal, within the boundaries of the Nueces County Water Control and Improvement District No. 4, except such property as may be by law exempt from taxation, a tax rate of \$ 0.07464 per each one hundred dollars assessed valuation for the purpose of meeting the requirements of said District for the fiscal year ending 1996.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 22nd day of August, 1995.

Attest:

Lucille Taylor  
Lucille Taylor, Secretary Pro-tem

Charles J. Brown  
Charles J. Brown, Secretary  
Board of Directors



RESOLUTION ON RESPONSE TO APPLICATIONS FOR WATER AND SEWER SERVICE MADE TO  
THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy establishing the time frames in which the District shall respond to applications for water and/or sewer service from the existing facilities of the District to lots and tracts of land located within the District.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. The District will respond to applications for water and/or sewer service submitted in accordance with the then existing Water Use Resolution and/or Sewer Use Resolution adopted by the Board of Directors of the District in a timely fashion, but in no event later than ninety (90) days from the date of the filing of a completed application for such service. The District will notify the applicant in writing of any deficiencies in the application within ten (10) days of the receipt of an application for water and/or sewer service. The application for purposes of this Resolution shall not be deemed to be completed until such time as the District receives the items of deficiency noted.

2. The District will conduct its final inspection of the line (s) and/or system within ten (10) working days from the time the water distribution line (s) and or sewerage collection system to serve the applicants lot or tract of land has been completed in accordance with the approved application, and a request has been made in writing to the District to accept said line (s) and/or system. The District's Engineer will within ten (10) days from the completion of the testing of the line (s) and/or system, issue a letter of acceptance or a letter setting forth any deficiencies, provided that the District shall have in its files the Engineer for the applicant's Certificate of Completion, a document dedicating the line (s) and/or system to the District, a one year warranty of the line (s) and/or system drawn in accordance with the

requirements of the District, a dedication of all easements necessary to operate and maintain the line (s) and/or system dedicated to the District, and a set of "as built" plans of the line (s) and/or system installed.

3. The time frames provided for herein shall be extended for that length of time reasonably and necessarily caused by acts of God, war, insurrections, riots and other causes beyond the control of the District as well as delays occasioned by other political subdivisions and/or governmental agencies.

4. This agreement by the District to respond within certain time frames to applications for water and/or sewer service from the existing facilities of the District to lots and tracts of land located within the District shall not affect the requirements set forth in policies of the District which shall be met by an applicant in order to receive water and sewer service.

PASSED AND APPROVED this 22ND day of August, 1995.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By Charles J. Brown  
Name Charles J. Brown  
Title Secretary

Attest:

By Lucille Taylor  
Name Lucille Taylor  
Title Sec. Pro Temp

**MINUTES OF  
REGULAR MEETING**

**MAY 9, 1995**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 9th day of May, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown - arrived 6:30 p.m.
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

Absent:           None

Staff:	Manager	Jim Edmonson
	Administrative Asst.	Mary Moss
	Attorney	Charles Zahn
	Engineer	Jim Urban

Visitor:           Property Owner           Carl Badalich

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mrs. Taylor to approve the minutes of the March 28th and April 3rd, 1995 meetings. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Investment  
Policy**

Mr. Edmonson presented the amended Investment Policy and Resolution which was tabled at the last meeting. After review, Mrs. Taylor made a motion to approve the Policy and adopt the Resolution. Mr. Reed seconded the motion and it carried unanimously. (A copy of the Resolution and Policy is attached and becomes a permanent part of these minutes.)

**Financial  
Report**

Mr. Edmonson presented the financial reports for March. After review, Mr. Reed made a motion seconded by Mrs. Taylor to accept the reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

**Manager's  
Report**

Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

**Lease  
City/RTA  
Turnaround**

Mr. Edmonson presented a lease agreement from the City of Port Aransas for a portion of Lot 1, Block 149, Mustang Island State Lands Survey and a portion of Lot 5, Block 148, Mustang Island State Land Survey for a paved turnaround for the RTA bus use. Mr. Miget made a motion which was seconded by Mrs. Taylor to approve the lease agreement. the motion carried unanimously. (A copy of the agreement is attached and becomes a permanent part of these minutes.)

**Executive  
Session**

A motion was duly made and seconded to recess the meeting and reconvene in an executive session as authorized by Texas Revised Civil Statutes, Government Code § 551.071 for the discussion of the following business:

- a. Consultation with District's Attorney regarding April 25, 1995 meeting with Edwin Flato, Carl Badalich, and Attorney Robert Renbarger.

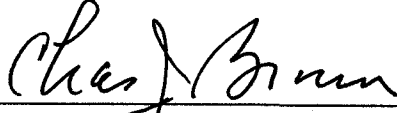
The Board recessed the executive session and reconvened the open meeting.


The Board instructed the staff to develop a policy incorporating guidelines for timeliness of responses to request made of the District.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

  
\_\_\_\_\_  
C. Bruce Furlow, President

**NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4  
RESOLUTION & ORDER ADOPTING AN INVESTMENT POLICY  
AND AUTHORIZING DISTRICT'S INVESTMENT OFFICER**

On the 9th day of May 1995, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	C. Bruce Furlow
Vice President	Russell Miget
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

and the following absent:

Secretary	Charles J. Brown
-----------	------------------

constituting a quorum, and among other proceedings had, were the following:

The President of the Board presented a resolution and order adopting an Investment Policy and authorizing District's Investment Officer.

The resolution and order was read in full and, after full discussion thereof, Lucille Taylor made a motion that it be adopted. The motion was seconded by Ed Reed. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 4 -  
Nays: - 0 -

The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

BE IT ORDERED THAT the attached Investment Policy is adopted.

THAT the District Manager, as the District's Investment Officer, and in his absence the District Administrative Assistant and the President of the Board of Directors of the District are authorized to invest and reinvest funds of the District in such investments as are authorized by law and provide for money to be withdrawn from the appropriate accounts of the District for such investments.

THAT The District Manager, the District Administrative Assistant and the President of the Board of Directors of the District are authorized to supervise the substitution of securities pledged to secure the District's funds.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 9th day of May, 1995.

Attest:

Lucille Taylor  
Lucille Taylor, Secretary Pro-tem

C. Bruce Furlow  
C. Bruce Furlow, President  
Board of Directors

**Nueces County Water Control  
& Improvement District No. 4**

**Investment Policy**

## Table of Contents

I.	Introduction .....	1
II.	Responsibility .....	1
III.	Statutory Guidelines .....	2
IV.	Investment Objectives .....	3
V.	Authorized Investment .....	3
VI.	Highest Yield Requirement .....	4
VII.	Pooling of Assets .....	4
VIII.	Standards of Ethics .....	5
IX.	Certification Requirement .....	5
	Certification .....	5

## **NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4**

### **INVESTMENT POLICY**

#### **I. INTRODUCTION**

**GOAL:** The goal of the Nueces County Water Control and Improvement District No. 4 Investment Policy shall be to ensure the safety of all funds entrusted to the District, the availability of those funds for the payment of all necessary obligations of the District, and to provide for the investment of all funds, not immediately required, in interest-bearing securities. The safety of the principal invested shall always be the primary concern.

Cash management is defined as the process of managing monies in order to ensure maximum cash availability and maximum yields on short-term investments. It is concerned with what happens between the point that revenue is earned and an expense payment clears the bank. The District shall maintain a comprehensive cash management program which includes collection of accounts receivable on a timely basis, vendor payment in accordance with invoice terms and state law, and prudent investment of its available cash. Effective cash management is recognized as essential to good fiscal management.

**SCOPE:** This Investment Policy of the District shall include all investment activities of any fund of the District.

**AMENDMENTS:** This policy may be amended from time to time as the Board of Directors may so desire, or as State law may require.

#### **II. RESPONSIBILITY**

**PURPOSE:** The purpose of this section is to establish an Investment Officer for the District and define the authority of the Investment Officer.

**RESPONSIBILITY AND DESIGNATION:** The District Manager is the District's Investment Officer and is responsible for the District's comprehensive cash management program, including the administration of these investment policies. The District Manager shall maintain timely, accurate and systematic records of all securities, maturities and earnings. The Investment Officer shall be responsible for establishing written procedures for cash management. Responsibility and authority for investment transactions resides with the Investment Officer. The Investment Officer is fully authorized to buy and sell investments in accordance with the goals and objectives of the District's investment strategy. Certain signatory responsibilities are shared with bonded officials for the purpose of the District's investment program in the absence of the Investment Officer. Positions authorized as signatories are established by the Board of Directors action. Current positions authorized are:

District Manager  
District Administrative Assistant  
President of the Board of Directors



**BONDING REQUIREMENT:** Each of the above-authorized positions designated to serve as Investment Officer or designee in the absence of the District's Investment Officer shall be bonded employees or the President of the Board of Directors. All participants in the investment process shall act responsibly as custodians of the public trust.

### III. STATUTORY GUIDELINES

**PUBLIC FUNDS INVESTMENT ACT AS AMENDED FROM TIME TO TIME:** (Now codified as Chapter 2256, Government Code)

This legislation, adopted by the Texas Legislature in 1987, defined the legal investment options of Texas municipalities and has included a provision requiring a written investment policy. Under the terms of this legislation, legal investment options are:

- A. Obligations of the United States or its instrumentalities;
- B. Direct obligations of this State or its agencies;
- C. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by this State or the United States or its instrumentalities;
- D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
- E. Certificates of Deposit issued by a state or national bank domiciled in this state or a savings and loan association domiciled in this state and is guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor or secured by legal collateral.
- F. Repurchase agreements which are fully collateralized, with third-party safekeeping of collateral, purchased through a "primary" government securities dealer, approved bank or a bank domiciled in this state. Collateral of repurchase agreements must meet certain requirement.
- G. Public Funds Investment Pools such as Texas State Treasury (Texpool), the Texas Association of School Boards (Lone Star Investment Pool) or any such investment pool that follows the same statutory guidelines cited in this Public Investment Act.
- H. Other eligible investments include:
  - 1. Bankers' Acceptances
  - 2. Commercial Paper
  - 3. Mutual Funds (No Load)

#### IV. INVESTMENT OBJECTIVES

The investments purchased under the provisions of this Investment Policy shall be managed to maintain liquidity for meeting the District's needs for cash and to limit potential market risks in periods of rising interest rates which depress the market value of securities. As a guideline, maturity of securities should not exceed more than three years, with the optimum weighted average maturity of less than eighteen months. Investments in securities of a longer maturity than three years are considered prudent for funds maintained for capital construction, and debt service funds, if necessary to meet projected disbursement schedules.

#### V. AUTHORIZED INVESTMENT

All investment made in accordance with this policy will be held until maturity unless otherwise approved by the Nueces County Control and Improvement District No. 4 Board of Directors.

**ELIGIBLE DEPOSITORIES:** All state and national banks located in the State of Texas, which are insured by the Federal Deposit Insurance Corporation (FDIC). The financial condition of the bank shall be considered prior to establishing any accounts with that bank. The District may subscribe to a bank rating service to obtain timely information.

#### **ELIGIBLE SECURITY DEALERS:**

- A. Security dealers and banks which are the approved and designated dealers of the Federal Reserve Bank of New York are "Primary Dealers".
- B. Security dealers and banks which are not designated as "Primary Dealers", but which are approved individually by the District's Board of Directors. The current Depository Bank and banks willing to pledge additional collateral are approved as eligible securities dealers for the District's investment.
- C. Investment activity in repurchase agreements shall be evidenced by a fully-executed master repurchase agreement on file with the District.
- D. Any Federal Reserve Bank.

#### **ELIGIBLE INVESTMENTS.**

- A. Obligations of the United States Government or its agencies including the following:
  - 1. U.S. Treasury Bills, Notes and Bonds
  - 2. Federal Agency Bonds and Notes.

All securities shall be purchased on a delivery-versus-payment basis through the District's depository bank or an investment brokerage firm. If the purchased securities are held by a broker approved by the District such securities must be insured for the amount being held. The District shall authorize the release of funds only after it has received verification of all purchased securities and their collateral or insurance.

This notification may be oral, but shall be followed up in writing with the original verification receipt within a reasonable time period.

- B. Repurchase agreements made in compliance with Texas State Statutes. Repurchase collateral shall be perfected and delivered to an unaffiliated third-party safekeeping account. Collateral provided must be those securities otherwise authorized by state statutes for outright purchases. Collateral may be substituted only with the oral authorization of the Investment Officer, followed by written confirmation within a reasonable time. The District considers repurchase agreements to be simultaneous purchases and sales of securities as outlined in the Master Repurchase Agreement and not as collateralized loans. However, the underlying securities may be referred to as "Collateral".
- C. Time certificates of deposit or savings accounts in state or national banks or a savings and loan association located within the State of Texas. All deposits must be insured to the level of \$100,000 through the FDIC. Investment in eligible pooled Certificate of Deposit programs (PACS) is authorized under this section. All deposits in excess of \$100,000 shall be collateralized by those securities otherwise authorized by state statutes for outright purchases, deposited into an unaffiliated third-party safekeeping institution with collateral held in the District's name. All deposits will be collateralized at a minimum of 102 percent of the purchase price and marked-to-market on a monthly basis. Collateral may be substituted only with the oral authorization of the Investment Officer, followed by written confirmation within a reasonable time. The District shall take all prudent and necessary steps to assure the solvency of the financial institution and the adequacy of collateral for deposits in excess of \$100,000, with the interest rates sufficient to warrant investment.
- D. Texpool, Lone Star Investment Pool or other as approved by the Nueces County Control and Improvement District No. 4 Board of Directors, that conform to statutory guidelines. Such pools may not invest in derivatives or any other investment contrary to policy adopted by Nueces County Control and Improvement District No. 4 Board of Directors.
- E. Other investments approved by Nueces County Control and Improvement District No. 4 Board of Directors, that conform to statutory guidelines.

#### VI. HIGHEST YIELD REQUIREMENT

The District's funds shall be invested in instruments or accounts that yield the highest possible rate of return while providing the desired maturity schedule, level of liquidity, and necessary protection of principal as required by these policies and State law.

#### VII. POOLING OF ASSETS

To maximize the effective investment of assets, all funds needed for general obligations may be pooled into one account for investment purposes. The income derived from this account will be distributed to the various funds based on their average balances on a periodic basis. Proceeds of bond issues shall not be pooled with

other assets of the District, but shall be maintained in the funding issuing the bonds with interest earnings on these invested proceeds recorded directly to that fund.

#### VIII. STANDARD OF ETHICS

Officers and employees involved in the Investment process shall refrain from personal business activity that could conflict with proper execution of the investment programs, or which could impair their ability to make impartial investment decisions. Employees and Investment Officials shall disclose to the District Manager any material financial interests in financial institutions that conduct business with the District and shall further disclose any large personal financial or investments positions that could be related to the performance of the District's portfolio. Employees and Investment Officers shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

#### IX. CERTIFICATION REQUIREMENT

A copy of this investment policy will be provided to the senior management of any bank, dealer, or broker wishing to transact investment business with the Nueces County Water Control and Improvement District No. 4 in order that it is appraised of the investment goals of the District. Before business is transacted with the firm, a certification must be signed by a senior member of the firm. Representatives of the business wishing to transact investment business with the Nueces County Water Control and Improvement District No. 4 may be requested to make a presentation to the Nueces County Water Control and Improvement District No. 4 Board of Directors. This certification is required only if transacting business worth more than the available FDIC coverage.

#### CERTIFICATION

I hereby certify that I have personally read and understand the investment policy of the Nueces County Water Control and Improvement District No. 4, and have implemented reasonable procedures and controls designed to fulfill those objectives. Transactions between this firm and the District will be directed towards precluding imprudent investment activities and protecting the District from credit or market risk.

All the sales personnel of this firm dealing with the District's account have been informed and will be routinely informed of the the District's investment horizons, limitations, and strategy and risk constraints, whenever we are so informed.

This firm pledges due diligence in informing the District of foreseeable risks associated with financial transactions connected to this firm.

---

(Firm)

---

(Primary Representative Signature)

---

(Date)

---

(Print name & title)

## LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 9th day of May 1995, by and between The City of Port Aransas acting by and through its City Council hereinafter called "lessee" and Nueces County W.C.I.D. #4 acting through its Board of Directors hereinafter called the "lessor".

### WITNESSETH:

In consideration of the mutual covenants hereinafter stated, the parties hereto mutually agree as follows:

1. The lessor hereby grants and demises unto the lessee the right and privilege to use for the construction, operation and maintenance of a bus turnaround purposes, subject to the terms and conditions set forth herein, the following described property:

### (LEGAL DESCRIPTION)

Easter portion of Lot 1, Block 149, Mustang Island State Lands Survey, being located on the Easterly side of an existing wire fence and Easter portion of Lot 5, Block 148, Mustang Island State Land Survey, being located on the Easterly side of Ross Avenue. (See attached Exhibit)

The lessor does hereby covenant and agree that at the time of execution of this agreement the lessor is well seized of the premises and has full power and lawful authority to grant to the lessee the leasehold property interest herein conveyed and hereby covenants to warrant and defend the lessee's right to the quiet and peaceable enjoyment thereof.


2. The premises may be occupied and used by the lessee solely for construction, operation and maintenance of a bus turnaround purposes as hereinafter defined for the use of the general public during the period beginning as of the effective date of this Agreement and continuing for a period of 30 years unless sooner terminated as herein provided. Use of the described property by the lessee is subject to all licenses, easement, or rights-of-way for roads, pipelines, telephone lines, power lines, or other public or private facilities upon, within, and over the lands covered by this agreement, provided however, the lessor will not issue licenses, easements, and rights-of-way for any use on any portion of the property, as above described, it being understood that the lessor will make every reasonable effort to prevent any encroachment upon the uses by the lessee.
3. Rent will be paid by the lessee at an annual rate of 10 dollars per year.
4. As used herein, the term "bus turnaround use or purpose" means use for establishment of a bus turnaround facility and similar activities.
5. The lessee shall not permit any concession or sublease to occur by virtue of its rights hereunder, without first obtaining the written consent of the lessor.
6. The lessee will maintain any improvements constructed by the lessee on the premises and will remove such litter, trash, and debris as may result from the operational use allowed hereunder.
7. The lessee has heretofore adopted rules and regulations concerning unlawful conduct on lessee-owned or operated public recreation facilities, and will take reasonable steps to enforce such rules and regulations together with such other State or local laws and ordinances as may be applicable.
8. The lessee agrees to indemnify and hold the lessor harmless from any loss, damage, or injury caused by the negligence of the lessee or its employees.

9. In the event the lessee shall fail to keep or perform any agreement on its part to be kept and performed according to the terms and provision of this agreement and the lessor gives the lessee written notice specifying the particular default or defaults, the lessee shall have such time as provided in said notice, which period of time shall in no event be less than 180 days, in which to correct such default of defaults. In the event the lessee shall fail to correct such default of defaults within the time provided in the notice, the lessor, without obligation to the lessee or any person or corporation claiming by, through, or under the lessee, may temporarily suspend all lessee activities or may take possession and control of the lessor's property described herein and all rights of the lessee under this Lease Agreement shall therein terminate.
10. The lessor agrees that leased premises shall continue to be permanently dedicated for operation of a bus turnaround and will not be converted without the express written consent of lessor.
11. Each party will notify the other in writing of the name and address of the person from his organization through whom contact respecting this Agreement shall be made.
12. The parties hereto agree that this Contract is and shall be deemed to be performable in the County of Nueces notwithstanding that either of the parties may find it necessary to take action in furtherance of or compliance with this Agreement outside said County of Nueces.
13. Failure of either party hereto to exercise any right hereunder shall not be deemed a waiver of such party's rights and shall not affect the right of such party to exercises at some future time said right or rights or any other right it may have hereunder.
14. None of the lessor's remedies provided for under this Agreement need to be exhausted or exercised as a prerequisite to resort to further relief to which it may then be entitled.
15. This Agreement shall be binding upon and inure to the benefit of the assigns or successors in interest of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused their hands and seals to be affixed hereto the day and year first above written.

COUNTY OF NUECES  
STATE OF TEXAS

By: The City of Port Aransas

  
James H. Sherrill, Mayor

By: Nueces County W.C.I.D. #4

  
Bruce Furlow, President

STATE OF TEXAS  
CITY OF PORT ARANSAS

The above and foregoing Agreement was acknowledged before me this  
9th day of May, 1995, by C. Bruce Furlow

WITNESS my hand and official seal.  
My Commission expires:

  
Notary Public

LOT 1, BLOCK 149

CONCRETE PAVEMENT

EXIST.  
16" ACP

EXIST. WIRE FENCE

30' BUS  
TURNING RADIUS

EXIST. 16" PVC  
EXIST. 12" PVC

CONCRETE PAVEMENT

### LEGEND



AREA TO BE LEASED

LOT 5, BLOCK 148

TREATMENT PLANT  
ENTRY SIGN  
(EXISTING)

8000 SY-1-1/2" OVERLAY

4' CONCRETE SIDEWALK

ROSS AVENUE

BUS STOP

EXHIBIT 'A'

SCALE: 1" = 40'±



MINUTES OF  
SPECIAL MEETING

APRIL 3, 1995

STATE OF TEXAS           §

COUNTY OF NUECES       §

On the 3rd day of April, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Lucille Taylor
	Director	Ed Reed
Absent:	None	
Staff:	Manager	Jim Edmonson
	Administrative Asst.	Mary Moss
	Attorney	Charles Zahn
	Engineer	Jim Urban
Visitors:	South Jetty News	Mary Judson
	Property Owner	Carl Badalich
	Flato/Badalich's Attorney	Bob Renbarger

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Flato/Badalich  
Settlement  
Offer**

Mr. Furlow expressed the District's desire to move forward on the issues to be able to serve the subject properties. Mr. Zahn presented an overview of the settlement offer and the staff's recommendation. Mrs. Taylor made a motion seconded by Mr. Miget to reject the settlement offer and instructed the staff to work with all parties to resolve questions.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

C. Bruce Furlow  
C. Bruce Furlow, President

Charles J. Brown  
Charles J. Brown, Secretary



**MINUTES OF  
SPECIAL MEETING**

**MARCH 28, 1995**

**STATE OF TEXAS                   §**

**COUNTY OF NUECES           §**

On the 28th day of March, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

Absent:           None

Staff:	Manager	Jim Edmonson
	Administrative Asst.	Mary Moss
	Engineer	Jim Urban
	Attorney	Charlie Zahn

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Miget to approve the minutes of the February 1st and 9th, 1995 meetings. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Award Bid  
1995 Sewer  
Renovations**

Mr. Urban presented the following bids which were received and opened as advertised on Thursday, March 2, 1995:

Conventional Replacement Project-

Cheyenne Paving	\$69,111.75
Island Construction	\$51,857.00
J.J. Fox Construction	\$55,527.00

Cast-in place Rehabilitation Project-

Insituform Gulf South	\$168,695.00 (Alt #1 -\$64,519 / Alt #2-\$63,290)
-----------------------	---

After discussion, a motion was made by Mrs. Taylor and seconded by Mr. Reed to award the Conventional Replacement Bid to Island Construction and the Cast-in-place Rehabilitation Bid to Insituform Gulf South as recommended. The motion carried unanimously.

**Investment  
Policy**

Item tabled for further review.

**Financial  
Report**

Mr. Edmonson presented the January & February financial reports for General Operating and Capital Recovery Funds and the December, January & February reports for Debt Service Fund. Mr. Reed made a motion seconded by Mr. Brown to accept the reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

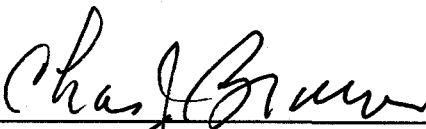
**Manager's  
Report**

Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

  
\_\_\_\_\_  
C. Bruce Furlow, President

MINUTES OF  
WORKSHOP MEETING

FEBRUARY 9, 1995

STATE OF TEXAS           §  
COUNTY OF NUECES       §

On the 9th day of February, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Workshop Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary Pro-tem	Lucille Taylor
	Director	Ed Reed
Absent:	Secretary	Charles Brown
Staff:	Manager	Jim Edmonson
	Asst. Administrator	Mary Moss
	Auditor	Gary Davenport
Visitors:	American Bank, NA	Ginger Hulbirt
	American Bank, NA	Buzz Osborn

The workshop meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow pursuant to notice posted.

Workshop                      Discussion was held on developing financial and investment plans.

Mr. Furlow closed the workshop meeting at 7:35 p.m.

Nueces County Water Control  
& Improvement District No. 4

C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Russ Miget  
Russ Miget, Vice President

**MINUTES OF  
REGULAR MEETING  
FEBRUARY 1, 1995**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 2nd day of February, 1995, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Secretary Pro-tem	Lucille Taylor
	Secretary	Charles Brown
	Director	Ed Reed
Absent:	Vice President	Russ Miget
Staff:	Manager	Jim Edmonson
	Asst. Administrator	Mary Moss
	Engineer	Jim Urban
	Auditor	Gary Davenport
	Attorney	Charlie Zahn
Visitor:	American Bank, NA	Ginger Hulbirt
	American Bank, NA	Buzz Osborn

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mrs. Taylor to approve the minutes of the November 8th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**1995/97  
Depository**

The following bids were received and opened as advertised on Thursday, January 26, 1995:

Frost National Bank  
Nations Bank  
American National Bank - 2 bids

Mr. Davenport presented his detailed comparison of the bids. After much discussion, a motion was made by Mrs. Taylor and seconded by Mr. Reed to accept American National Bank Bid #2. The motion carried unanimously with Mr. Brown abstaining.

**1993/94  
Audit**

Mr. Davenport presented the 1993/94 Audit and complimented the staff for their efficiency. After the review, Mr. Brown made a motion to accept the report as presented. The motion was seconded by Mr. Reed and carried unanimously.

**Financial  
Report**

Mr. Edmonson presented the October, November & December financial reports for General Operating and Capital Recovery Funds and the October & November reports for Debt Service Fund. Mr. Reed made a motion seconded by Mrs. Taylor to accept the reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

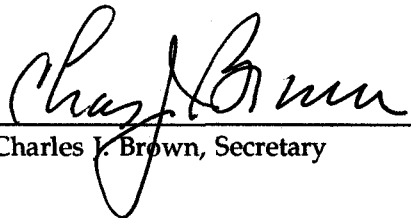
**Manager's  
Report**

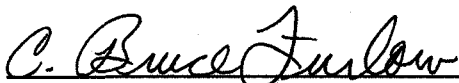
Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

  
\_\_\_\_\_  
C. Bruce Furlow, President

**MINUTES OF  
SPECIAL MEETING  
NOVEMBER 8, 1994**

**STATE OF TEXAS           §**  
**COUNTY OF NUECES       §**

On the 8th day of November, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Secretary Pro-tem	Ed Reed
	Secretary	Charles Brown
Absent:	Vice President	Russ Miget
Staff:	Manager	Jim Edmonson
	Asst. Administrator	Mary Moss
	Engineer	Jim Urban
	Superintend	Rudy Vela
Visitors:	Property Owner	Lucille Taylor
	Property Owner	Carol Woodfin
	Bait Bucket, Inc.	David John
	Bait Bucket, Inc.	Julia Dewey

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Reed to approve the minutes of the September 29th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Bait Bucket**

Mr. David John, representing Bait Bucket, Inc., talked with the Board about problems he has had with his water line during the Highway Department's construction project on Harbor Island. After discussing the situation and since the water line problems have been resolved, no action was taken.

**1995 Water  
Truck Bid**

Mr. Edmonson reviewed the bids for a Heavy Duty 2 Ton Truck to replace the 1980 Water Truck which were received on November 4, 1994 as listed below:

French Ellison	GMC	@ \$30,645
Power Equipment	International	@ \$29,412
Crosstown Ford	Ford	@ \$27,425 - Recommendation

Mr. Brown made a motion seconded by Mr. Reed to accept the staff's recommendation of Crosstown Ford's bid as the lowest bidder. The motion carried unanimously.

**Computer  
Software  
Bid Award**

Mr. Edmonson presented the one bid received which was from Incode Interactive Computer Designs, Inc. for \$23,870 for the specified software with an estimated travel and training expenses of \$10,000 Mr. Brown made a motion to accept the bid. Mr. Reed seconded and the motion carried unanimously.

**1995/97  
Depository**

A motion was made by Mr. Brown and seconded by Mr. Reed to authorize the staff to proceed with the bidding process for the new depository contract which begins February 15, 1995. The motion carried unanimously.

**Executive  
Session**

A motion was duly made and seconded to recess the meeting and reconvene in an executive session as authorized by Texas Revised Civil Statutes ,Article 6252-17 § 2 (g) for the discussion of the following business:

- a. Consideration of appointment of public officer

The Board recessed the executive session and reconvened the open meeting.

**Appointment  
of Director**

Mr. Brown made made a motion to appoint Mrs. Lucille Taylor to fulfill the unexpired term of office of George Hawn and nominated the following slate of officers:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Lucille Taylor
Director	Ed Reed

Mr. Reed seconded and the motion carried unanimously. The slate of officers was approved by acclamation. Mrs. Taylor was sworn in by the District's Notary, Mary Moss.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

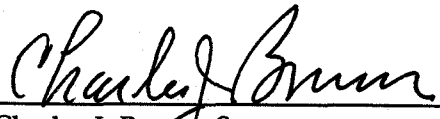
**Manager's  
Report**

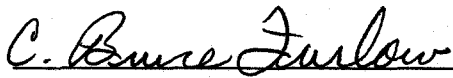
Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

  
C. Bruce Furlow, President

**MINUTES OF  
SPECIAL MEETING  
SEPTEMBER 29, 1994**

**STATE OF TEXAS           §**  
**COUNTY OF NUECES       §**

On the 29th day of September, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary Pro-tem	Ed Reed
	Secretary	Charles Brown
Absent:	Director	George Hawn
Staff:	Manager	Jim Edmonson
	Asst. Administrator	Mary Moss
	Engineer	Jim Urban
Visitor:	Interested Member	Lucille Taylor

The meeting was called to order at the scheduled hour by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Miget to approve the minutes of the August 17th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**G. Hawn's  
Resignation**

Mr. Furlow presented Mr. Hawn's letter of resignation to the Board for record. (The letter had been mailed to each director prior to the meeting.) With much regret, a motion was made by Mr. Reed and seconded by Mr. Miget to accept Mr. Hawn's resignation. The motion carried unanimously.

**1994 /95  
Proposed  
Budget**

Mr. Edmonson presented the 1994/95 Proposed Budget for the General Operating and Capital Project Funds which included the financial reports for July and August. After discussion and review of the detailed reports, Mr. Brown made a motion to accept the 1994/95 Budget and the financial reports as presented. The motion was seconded by Mr. Miget and carried unanimously. (A copy of the Budget is attached and becomes a permanent part of these minutes.)

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

**Manager's  
Report**

Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

**Executive  
Session**

A motion was duly made and seconded to recess the meeting and reconvene in an executive session as authorized by Texas Revised Civil Statutes ,Article 6252-17 § 2 (g) for the discussion of the following business:

- a. Consideration of appointment of public officer

The Board recessed the executive session and reconvened the open meeting.

**Appoint  
Director**

No action taken.



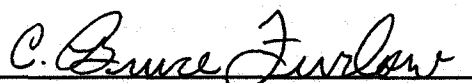
As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:



Charles J. Brown, Secretary



C. Bruce Furlow, President

94/95 PROJECTED BUDGET	1993/94	1993/94	%	*1994/95*	Notes
Account	Projected	Budget	to YE	Approved	
Revenues:	Year End			Budget	
Water Service	1,129,904.98	1,125,000.00	0%	1,188,000.00	Proj YE + 5% growth
Sewer Service	520,836.20	472,000.00	10%	531,700.00	Proj YE + 5% growth
Water Tap	13,104.27	8,900.00	47%	10,000.00	Bud/proj YE
Sewer Tap	8,019.51	6,300.00	27%	7,000.00	Bud/proj YE
Inspections	1,272.50	500.00	155%	750.00	Bud/proj YE
Reconnects	7,725.00	7,900.00	-2%	8,000.00	Proj YE + 5% growth
Other Service	2,559.54	2,400.00	7%	2,400.00	Budget
MI Drilling	47,060.21	20,100.00	134%	22,100.00	Contr + 10%
Brown & Root	36,928.29	20,100.00	84%	22,100.00	Contr + 10%
Harbor Island	91,542.77	40,200.00	128%	66,200.00	Contr + 10%
Bldg Permits	0.00	0.00	0%	0.00	
Interest	10,386.96	8,600.00	21%	10,400.00	Proj YE
Sale of Material	47.84	0.00	0%	0.00	
Sale of GFA	0.00	0.00	0%	0.00	
Cash	(104.68)	0.00	0%	0.00	
Other	1,958.78	0.00	0%	0.00	
Activity Fund	(219.87)	0.00	0%	0.00	
<b>Total Revenues</b>	<b>1,871,022.30</b>	<b>1,712,000.00</b>	<b>9%</b>	<b>1,868,650.00</b>	
<b>Expenditures:</b>					
<b>Total Water</b>	<b>443,206.82</b>	<b>414,000.00</b>	<b>7%</b>	<b>483,000.00</b>	CC 5% inc & SP 94¢
<b>Personnel Cost:</b>					
Salaries	378,194.71	377,700.00	0%	393,200.00	
Retirement	23,692.71	23,600.00	0%	27,100.00	
Insurance	30,355.63	33,200.00	-9%	31,000.00	
FICA	28,918.05	28,900.00	0%	30,100.00	
Workers Comp	14,866.75	13,000.00	14%	13,800.00	per contract
Uniforms	3,377.38	3,400.00	-1%	4,600.00	caps & more perm emp
TEC	2,472.80	800.00	209%	2,300.00	
<b>Total</b>	<b>481,878.03</b>	<b>480,600.00</b>	<b>0%</b>	<b>502,100.00</b>	Total 4% inc

94/95 PROJECTED BUDGET	1993/94	1993/94	%	*1994/95*	Notes
Account	Projected	Budget	to YE	Approved	
Professional Cost:	Year End			Budget	
Legal	36,123.60	10,000.00	261%	15,000.00	10m/issue + 5m/misc
Engineering	20,725.02	20,000.00	4%	21,800.00	Proj YE +5%
Auditing	13,470.00	11,000.00	22%	12,000.00	contr +3000
Consultant	0.00	0.00	0%	10,000.00	Complr/Misc
Total	70,318.62	41,000.00	72%	58,800.00	
Repair & Maint Cost:					
System	65,708.69	52,300.00	26%	63,200.00	56,410 53320 Budget+10%+5700 (valves, vaults, etc per list)
Equipment	46,729.10	38,000.00	23%	54,100.00	Proj YE+7400 (Pump & Air Pack)
Trucks	7,106.46	9,000.00	-21%	7,100.00	6320 Proj YE
Meters	4,435.50	6,000.00	-26%	4,400.00	Proj YE
Buildings & Grounds	25,901.08	27,000.00	-4%	15,000.00	10000+fence 4000 & landscaping 1000
Small Tools	4,022.53	3,500.00	15%	4,000.00	Proj YE
Lawn Maintenance	13,500.00	13,500.00	0%	11,940.00	995.*12
Total	167,405.36	149,300.00	12%	159,740.00	
Recurring Operations Cost					
Insurance	11,037.40	26,600.00	-59%	20,700.00	lla-9952, aut-4049 e/o-4381, win-1268, prop-1050
Notices & Recordings	640.95	500.00	28%	500.00	Budget
Elections	665.08	800.00	-17%	0.00	No election
Cleaning Services	3,588.30	3,300.00	9%	5,000.00	new contr + rugs + wax
WWTP Lab & Testing	1,780.00	1,700.00	5%	7,000.00	Proj YE + sludge & toxicity tests
Water Samples	1,636.99	1,900.00	-14%	1,300.00	108@\$8 & 20@\$13 +\$176.
Fuel	7,351.02	8,700.00	-16%	8,700.00	Budget - J. Kilgore
Chemicals*	14,910.00	17,800.00	-16%	19,600.00	per analysis + rate inc frm AOC
Electricity*	138,393.41	133,800.00	3%	147,180.00	Budget +10%
Telephone	4,442.04	4,500.00	-1%	5,000.00	Budget+add'l lines for lft sta
Sanitation	2,529.75	3,200.00	-21%	3,100.00	Proj YE + 4% inc frm BFI
Gas	245.61	300.00	-18%	350.00	Proj price increase
Schools & Seminars	883.60	2,500.00	-65%	2,500.00	Budget
Milage	364.36	900.00	-60%	900.00	Budget

94/95 PROJECTED BUDGET	1993/94 Projected Year End	1993/94 Budget	% to YE	*1994/95* Approved Budget	Notes
<b>Account</b>					
TWC Assessment	7,927.28	8,400.00	-6%	9,200.00	.005 of W/S Revenues
Permits	14,729.97	15,000.00	-2%	9,422.50	Per analysis-testing moved
Land-Lease Payments	3,129.95	3,100.00	1%	1,000.00	1 lease pmt this yr
Other Expenses	8,020.80	5,500.00	46%	5,500.00	
Dues & Publications	1,503.04	1,400.00	7%	1,700.00	
Conservation, Education & PR	1,108.10	1,000.00	11%	2,000.00	
Office Supplies	4,529.16	4,700.00	-4%	6,000.00	new forms & cks?
Postage	5,593.62	5,300.00	6%	6,300.00	poss inc in postal rates
<b>Total</b>	235,010.43	250,900.00	-6%	262,952.50	
<b>Capital Outlay Cost:</b>					
Wtr/Swr Taps	8,957.46	5,200.00	72%	9,400.00	Proj YE + 5%
Vehicle	31,832.96	30,000.00	6%	44,200.00	Wtr Truck & 3/4 Ton PU w/tool box
2" Piercing Tool	0.00	0.00	0%	4,000.00	
Rectifier on 12" line	0.00	0.00	0%	4,000.00	
LS #3 Pump (Incr 5 to 10 HP)	0.00	0.00	0%	4,100.00	
MI Tower Building	0.00	0.00	0%	9,000.00	
Major Equipment	17,707.54	21,000.00	-16%	7,000.00	Misc-2000, 2 Port Radios-1500, & BOD Sampler-2760
Copier & Shredder	4,955.00	5,000.00	-1%	0.00	
Computer Upgrade	12,001.00	25,000.00	-52%	28,550.00	Billing w/ Auto Mtr Reading, & G/L, A/P & P/R
Upgrade Telemetry	4,402.34	7,000.00	-37%	0.00	
<b>Total</b>	79,856.30	93,200.00	-14%	110,250.00	
Contingency	0.00	37,000.00		0.00	
<b>Subtotal Exp</b>	1,477,675.56	1,466,000.00	1%	1,576,842.50	
<b>Capital Projects</b>					
Transfer:	393,346.74	246,000.00	60%	291,807.50	
<b>Total Expenditures</b>	1,871,022.30	1,712,000.00	9%	1,868,650.00	
Over/(Under)	0.00	0.00		0.00	
<b>Fund Balance</b>	250,000.00	250,000.00		250,000.00	

### PROJECTED 93/94 YEAR END

Fund Balance at October 1, 1993	247,101
REVENUES:	
Rimbursement-Port St. Project	1,543
Audit Reallocation of Funds	110,404
Transfer from General Fund	393,347
Interest Income	<u>13,000</u>
Total Funds Available	765,395
EXPENDITURES:	
Tank Maintenance	142,045
(Cont-118,000;Paint-16,100;Eng-7,552;Notice-394)	
1994 Sewer Renovation Project	510,242
(Contract w/Cg Ord 472,446+Eng 37,796)	
Harbor Island Water Line Crossings	<u>13,157</u>
TOTAL EXPENDITURES	665,444
Projected Fund Balance at 9/30/94	99,951

### PROPOSED 1994/95 BUDGET

REVENUES:		
Transfer from General Fund		291,808
Interest Income		<u>10,000</u>
Total Funds Available		401,758
EXPENDITURES:		
Tank Maintenance		55,000
(Contr-45,000; paint-10,000)		
1995 Sewer Renovation Projects	-117441	<u>276,031</u>
(Total Cost Est-364,325+Eng-29,146=393,471)	(Cg order deletion)	
TOTAL EXPENDITURES		331,031
Projected Fund Balance at 9/30/95		70,727

**MINUTES OF**  
**REGULAR MEETING**  
**AUGUST 17, 1994**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 17th day of August, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Secretary Pro-tem	Ed Reed
	Director	George Hawn
Absent:	Vice President	Russ Miget
	Secretary	Charles Brown
Staff:	Manager	Jim Edmonson
	Asst. Administrator	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.
Visitors:	Customer	Mr. & Mrs. Roger Miller
	Property Owner	Mrs. Carol Woodfin

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Reed to approve the minutes of the June 7th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**R. Miller's  
Request  
Concerning  
CIFees**

Mr. Miller presented his request for the Board to consider reevaluating the flow units used in the Capital Impact Fee calculation for his restaurant. Mr. Edmonson and Mr. Urban reviewed the history of the C.I.F. resolution and the Senate Bill regulating how the flow units are established as an average and not individually. After discussion, the Board instructed the staff review and update the C.I.F. resolution as required.

**1994 Tax Rate  
\$0.07987**

Mr. Edmonson presented the 1994 Appraised Valuation and Tax Study. After discussion and review, Mr. Furlow presented a Resolution and Order setting the 1994 Tax Rate. A motion was made by Mr. Reed and seconded by Mr. Hawn to adopt the resolution setting the Tax Rate at \$0.07987. The motion carried unanimously. (A copy of the resolution and order is attached and becomes a permanent part of these minutes.)

**Attorney  
Employment  
Contracts**

Mr. Edmonson presented contracts for Mr. Atwill, Mr. Williams and Mr. Zahn to renew their existing employment contracts with the District. Mr. Atwill's contract reflects an hourly rate change from \$90 to \$115 with the other contracts remaining the same as last year. Mr. Hawn made a motion, seconded by Mr. Reed to approve the contracts as presented. The motion carried unanimously. (A copy of the contracts are on file in the District office.)

**Financial  
Report**

Mr. Edmonson presented the financial reports for all funds. Mr. Reed made a motion seconded by Mr. Hawn, to approve the May and June Financial Reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

**Manager's  
Report**

Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

C. Bruce Furlow  
C. Bruce Furlow, President

Ed Reed  
Ed Reed, Secretary Pro-tem

NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

RESOLUTION AND ORDER  
SETTING THE 1994 TAX RATE

On the 17th day of August 1994, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	C. Bruce Furlow
Secretary Pro-tem	Ed Reed
Director	George S. Hawn

and the following absent:

Vice President	Russell Miget
Secretary	Charles J. Brown

constituting a quorum, and among other proceedings had, were the following:

The President of the Board presented a resolution and order setting the 1994 tax rate. Minutes of the August 17th, 1994 meeting reflect the tax rate for the year 1994.

The resolution and order was read in full and, after full discussion thereof, Mr. Reed made a motion that it be adopted. The motion was seconded by Mr. Hawn. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: 3  
Nayes: 0

The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

BE IT ORDERED by the Board of Directors of the Nueces County Water Control And Improvement District No. 4:

There is hereby levied on the assessed value of all property, both real and personal, within the boundaries of the Nueces County Water Control and Improvement District No. 4, except such property as may be by law exempt from taxation, a tax rate of \$ 0.07987 per each one hundred dollars assessed valuation for the purpose of meeting the requirements of said District for the fiscal year ending 1995.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 17th day of August, 1994.

C. Bruce Furlow  
C. Bruce Furlow, President  
Board of Directors

Attest:

Ed Reed  
Ed Reed, Secretary Pro-tem



**MINUTES OF  
SPECIAL MEETING**

**JUNE 7, 1994**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 7th day of June, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Asst. Manager	Jim Edmonson
	Executive Secretary	Mary Moss
	Attorney	Charles Zahn, Jr.
	Engineer	Jim Urban
Visitor:	None	

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Brown to approve the minutes of the May 10th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Utility  
Service  
Agreement**

After a discussion of the revisions to the draft agreement, Mr. Reed made a motion, seconded by Mr. Brown to adopt the Utility Service Agreement. The motion carried unanimously. The Board instructed the staff to compile a listing of property owners to be notified regarding the new agreement.

**Signatory  
Authority**

A motion was made by Mr. Reed and seconded by Mr. Brown to adopt the resolution as presented to change previous Signatory Authority to the District Manager. The motion carried unanimously. (A copy of resolution is attached and becomes a permanent part of these minutes.)

**Bulk  
Water  
Contracts**

Mr. Edmonson presented a chart on the bulk water sales for the past 24 months. After review and discussion, Mr. Brown made a motion, seconded by Mr. Reed to authorize the District Manager to execute the renewal contracts for bulk water customers on Harbor Island. The motion carried unanimously.

**Financial  
Report**

Mr. Edmonson presented the financial reports for all funds. Mr. Brown made a motion seconded by Mr. Reed, to approve the April Financial Reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District projects. (A copy of this report is on file in the District office.)

**Manager's  
Report**

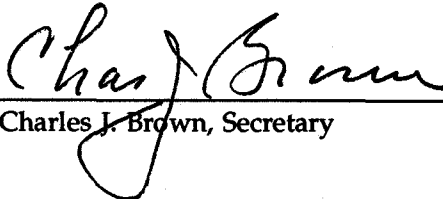
Mr. Edmonson gave a review on routine business of the District. (A copy of this report is on file in the District office.)

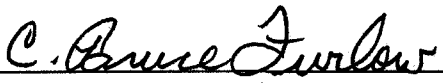
Special Meeting  
June 7, 1994  
Page 2

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

  
C. Bruce Furlow, President

**NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4**  
**RESOLUTION & ORDER FOR SIGNATORY AUTHORITY**

On the 7th day of June 1994, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a special meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	C. Bruce Furlow
Vice President	Russell Miget
Secretary	Charles J. Brown
Secretary Pro-tem	Ed Reed

and the following absent:

Director	George S. Hawn
----------	----------------

constituting a quorum, and among other proceedings had, were the following:

The President of the Board presented a resolution and order authorizing the District's Signatory. Minutes of the June 7th, 1993 meeting reflect the authorized Signatory.

The resolution and order was read in full and, after full discussion thereof, Mr. Reed made a motion that it be adopted. The motion was seconded by Mr. Brown. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

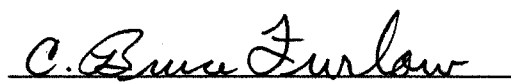
Ayes:        4

Nayes:      0


The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

BE IT ORDERED that from and after the date of the adoption of this resolution, all references in minutes of the Board of Directors of the District and in all resolutions adopted by the Board of Directors of the District authorizing Mrs. Nona Sherrill acting in her capacity as the District Manager to execute on behalf of the District any and all documents, reports, permits, drafts and other instruments, are hereby amended to provide that the District Manager duly appointed by the Board of Directors is authorized to execute on behalf of the District any and all documents, reports, permits, drafts and other instruments and to otherwise act on behalf of the District. That except as amended herein the minutes of the Board of Directors of the District and the resolutions adopted by the Board of Directors shall remain in full force and effect in accordance with the remaining provisions therein.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 7th day of June, 1994.

  
C. Bruce Furlow, President  
Board of Directors

Attest:

  
Charles J. Brown, Secretary

**MINUTES OF  
REGULAR MEETING**

**MAY 10, 1994**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 10 day of May, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
	Vice President	Russ Miget
Staff:	Manager	Nona Sherrill
	Asst. Manager	Jim Edmonson
	Executive Secretary	Mary Moss
	Attorney	Charles Zahn, Jr.
	Engineer	Jim Urban
Visitor	Board Candidate	Lucille Taylor

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Canvas Votes**                   A motion was made by Ed Reed and seconded by Charlie Brown to certify the election  
**May 7, 1994**                   results as presented. The motion carried unanimously.

**Oath of**                       Mary Moss, Notary for the District, administered the oath of office to the elected  
**Office**                       officer, Mr. Brown.

**Reorgan-**                     A motion of acclamation was made by Mr. Brown and seconded by Mr. Reed to return  
**ization**                     the same slate of officers. The motion carried unanimously.

**Minutes**                     A motion was made by Mr. Reed and seconded by Mr. Brown to approve the minutes  
of the April 19th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to  
each director prior to the meeting.)

**1994 Sewer**                   Mr. Urban reviewed the one bid received on April 14, 1994, for the Sewer Renovation  
**Renovations**               Project from Insituform Gulf South, Inc. in the amount of \$505,094.60. A motion was made by Mr.  
Brown and seconded by Mr. Reed to award the bid subject to a change order bringing the amount to  
\$443,710.00 plus 8% engineering. The motion carried unanimously. Budget for the project  
had been set at \$436,180.00 including engineering.

**Utility**                     A draft copy of the Utility Service Agreement was presented for review and was  
**Service**                     thoroughly discussed. Copies will be sent to the absent board members for their review. Board  
**Agreement**               members will make their recommendations directly to Mr. Zahn so a revised agreement can be  
presented at the next board meeting. The board agreed that the petition to annex into the district  
is subject to the Utility Service Agreement being signed prior to annexation and application for  
services.

**Financial**                   Mr. Edmonson presented the March financial reports for all funds. After discussion  
**Report**                   and noting a discrepancy in the percent of variance on one item, a motion was made by Mr. Brown  
and seconded by Mr. Reed to approve the reports. The motion carried unanimously.

**Engineer's**               Mr. Urban gave a review of the Coastal Management Plan for the City of Port Aransas  
**Report**               which has been approved by the state. (A copy of this report is on file in the District office.)

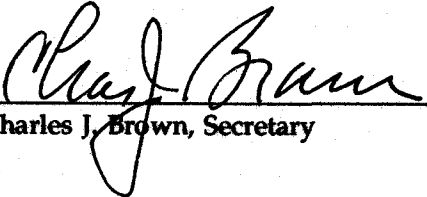
**Manager's  
Report**

Mr. Edmonson distributed the District's Policy Book and updated the board members on Water Awareness Week activities of the district. Mr. Furlow asked about filling certain policies of the District with the County Records Office. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

  
C. Bruce Furlow, President

# Certificate of Election

IN THE NAME AND BY THE AUTHORITY OF

Nueces County Water Control and Improvement District No. 4,

Nueces County, Texas

THIS IS TO CERTIFY, That at a general election held on

May 7th, 1994 the following

Directors were duly elected

GEORGE S. HAWN

CHARLES J. BROWN

In testimony whereof, I have hereunto signed my name and caused the Seal of  
Nueces County Water Control and Improvement District No. 4  
to be affixed, this the 10th day of May, 1994.



Ed Reed, Secretary Pro-tem



**MINUTES OF  
SPECIAL MEETING**

**APRIL 19, 1994**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 19th day of April, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Executive Secretary	Mary Moss
	Attorney	Charles Zahn, Jr.
	Engineer	Jim Urban
	Auditor	Gary Davenport
Visitor	Board Candidate	Lucille Taylor

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Miget and seconded by Mr. Reed to approve the minutes of the April 5th, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**1994 Sewer Renovations**

Mr. Urban review the only bid received on April 14, 1994, for the Sewer Renovation Project from Insituform Gulf South, Inc. in the amount of \$505,094.60. After much discussion, a motion was made by Mr. Miget and seconded by Mr. Reed to table the item. The motion carried unanimously.

**Septic Tank Policy**

Mr. Urban and Mr. Zahn presented a Resolution On Use Of A Private Sewage Disposal System Or Other On-Site Sewage Facilities To Provide Sewer Service To Tracts Or Parcels Of Land Located Within The Boundaries Of The Nueces County Water Control & Improvement District No. 4. A motion was made by Mr. Reed and seconded by Mr. Miget to approved the Resolution as presented. The motion carried unanimously. (A copy of the Resolution is attached and becomes a permanent part of these minutes.)

**Utility Service Agreements**

After discussion, the staff was instructed to prepare a draft agreement and present at the next scheduled meeting along with a draft letter of notification to designated existing property owners who are under the old agreements.

**Auditor's Contract 1994-1998**

Mr. Davenport presented two contracts for the Board's consideration. The first contract was for five years with an audit fee of \$9,000 and any additional services based on standard hourly rates. The second contract was also for five yeas with an audit fee of \$11,000 which included any additional services. After discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to accept the \$9,000 audit fee contract. The motion carried unanimously.

**Lease Renewal City of PA Maint. Bldg.**

Mr. Reed made a motion to approve the renewal of the Lease Agreement with the City of Port Aransas for All of Lots 9 and 10, Block 64, Subdivision "C", Mustang Island, Nueces County, Texas. Mr. Miget seconded the motion and it carried unanimously.

**Records Management Plan**

Mrs. Moss presented a Records Management Plan for the District as required by the Local Government Code. Mr. Reed made a motion and Mr. Miget seconded to approve the plan. The motion carried unanimously. (A copy of the Plan is attached and becomes a permanent part of these minutes.)



**Edmonson's  
Employment  
Contract**

Mr. Furlow presented the Employment Contract for Mr. Jim Edmonson to the Board. A motion was made by Mr. Reed and seconded by Mr. Miget to ratify the contract. The motion carried unanimously.

**Financial  
Report**

Mrs. Moss presented the financial reports for January and February for all funds. After discussion, a motion was made by Mr. Miget and seconded by Mr. Reed to approve the reports as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District related business. (A copy of this report is on file in the District's office.)

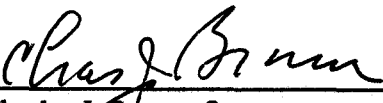
**Manager's  
Report**

In Mrs. Sherrill's absence, Mrs. Moss reported on routine business of the District. (A copy of this report is on file in the District's office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

  
\_\_\_\_\_  
C. Bruce Furlow, President

RESOLUTION ON USE OF A PRIVATE SEWAGE DISPOSAL SYSTEM OR OTHER ON-SITE SEWAGE FACILITIES TO PROVIDE SEWER SERVICE TO TRACTS OR PARCELS OF LAND LOCATED WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District operates a sanitary sewer system and has established a policy requiring all owners of a tract or parcel of land lying within the boundaries of the District who desire to have water service provided by the District to said tract or parcel of land to be served by the sanitary sewer system of the District; and,

WHEREAS, the Board of Directors is aware that it is not practical to require all owners of a tract or parcel of land lying within the boundaries of the District to be served by the sanitary sewer system of the District; and,

WHEREAS, the Board of Directors does not encourage the use of on-site sewage systems because of the potential threat they pose to potable water supplies and to the health and welfare of the general public; and,

WHEREAS, the Board of Directors of the District is desirous of a adopting a policy whereby the owner of a tract or parcel of land lying within the boundaries of the District can use a private sewage disposal system to serve said tract or parcel of land in a manner that will protect

potable water supplies and the health and welfare of the public; and,

WHEREAS, the District did approve a SEWER USE RESOLUTION on May 16, 1988, which resolution was amended on January 27, 1994; and,

WHEREAS, said SEWER USE RESOLUTION contains in Section P PRIVATE SEWAGE DISPOSAL SYSTEMS provisions for the use of private sewage disposal systems within the boundaries of the District; and,

WHEREAS, the Board of Directors of the District is desirous of amending Section P of the SEWER USE RESOLUTION.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, Section P PRIVATE SEWAGE DISPOSAL SYSTEMS of the SEWER USE RESOLUTION of the District is amended to provide the following, and it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. Every person who owns a tract or parcel of land located within the boundaries of the District who desires to have water service provided to said tract or parcel of land, must have said tract or parcel of land served by the sanitary sewer system of the District, or by a private sewage disposal system installed in accordance with the Construction Standards for On-Site Sewerage Facilities adopted by the Texas Department of Health, hereinafter referred to as the "Construction Standards".

2. Every person who owns a tract or parcel of land located within the boundaries of the District who desires to serve said tract or parcel of land with a private sewage disposal system must submit a sewage disposal plan prepared by a Registered Professional Engineer or Registered Professional Sanitarian to the District's Engineer for review and approval. The sewage disposal plan shall comply with the Construction Standards and the following terms and conditions:

- a. An application requesting authorization to utilize a private sewage disposal system or other on-site sewage facilities to provide sewer service to said tract or parcel of land must be filed along with the appropriate fees.

- b. Tests shall be conducted to determine the suitability of the soil to absorb settled sewage such as soil percolation tests, soil characteristics, and the type and size of the disposal system required.

- c. A site evaluation, including but not limited to field inspection, laboratory testing, and desk top analysis, must be made to assure that

minimum safe distances are maintained from wells, lakes, property lines and water lines. This should include the location of existing and proposed onsite and offsite sewage disposal systems and underground sources of drinking water; type of well construction, underground strata, and depth of water-bearing source; slope of the groundwater table; location of beaches; and protecting distances between wells and sewage disposal systems.

d. A soil characterization study must be made by an experienced soils scientist, Registered Professional Engineer or Registered Professional Sanitarian to assure the soil conditions will allow adequate absorption, treatment, and conveyance of the treated water underground. When conventional soil absorption systems are used, there shall be no interference from ground water.

e. A site specific compliance monitoring plan with a monitoring schedule included in the plan, must be prepared by an experienced soils scientist, Registered Professional Engineer or Registered Professional Sanitarian and included in the sewage disposal plan. At the time the sewage disposal plan is approved, the experienced soils scientist, Registered Professional Engineer or Registered Professional Sanitarian and the District's Engineer will define and approve the monitoring plan. The plan may require the owner who desires to use a private sewage disposal system or other on-site sewage facilities to periodically monitor said facility in order to ensure that said facility is not adversely affecting public health and that he provide assurance in a form determined by the District's Engineer of said compliance.

f. The private sewage disposal system must be designed such that the ground water table is at least six (6') feet below the surface of that portion of the tract or parcel of land where the septic drain field is proposed for construction. The effluent disposal system must have at least two (2') feet of cover and there must be at least four (4') feet of separation between the effluent disposal system and the highest ground water table on the tract or parcel of land. In the event that the private sewage disposal system can not be designed such that the ground water table is at least six (6') feet below the surface of that portion of the tract or parcel of land where the septic drain field is proposed for construction, then in that event, alternate waste treatment methods designed by a Registered Professional Engineer may be submitted for consideration by the District, and if approved by the District may be installed.

g. Upon the approval of the application to utilize a private sewage disposal system or other on-site sewage facilities to provide sewer service to said tract or parcel of land, the owner will be issued a special permit by the District, and will be allowed to construct said system in accordance with the Construction Standards. A certificate of compliance with said standards issued by the Texas Department of Health or by a Registered Professional Engineer shall be provided to the District before the District shall be required to provide water service to the tract or parcel of land.

3. The sewage disposal plan, along with the tests, studies and information called for in paragraph 2 above, must be submitted to the District's Engineer and approved by him prior to the filing of any plat, any

replat or any subdivision of the tract or parcel of land. If the tract or parcel of land has been platted prior to a request for water service, the sewage disposal plan, along with the tests, studies and information called for in paragraph 2 above, must be submitted to the District's Engineer along with, and as a part of, the application for authorization to utilize a private sewage disposal system or other on-site sewage facilities.

4. The owner of a tract or parcel of land who utilizes a private sewage disposal system or other on-site sewage facilities to provide sewer service to said tract or parcel of land agrees that at such time as the District notifies the owner that the District can provide sewer service through public facilities that run within two hundred (200') feet of a structure or structures located on the tract or parcel of land utilizing the private sewage disposal system or other on-site sewage facilities, that he will within ninety (90) days from the date of notification discontinue the use of the private sewage disposal system or other on-site sewage facilities and at his expense tie in to the public sanitary sewer system owned by the District.

5. This agreement by the District to allow the use of a private sewage disposal system or other on-site sewage facilities shall not effect or supercede contracts or utility service agreements entered into by and between the District and the owner of said tract or parcel of land or his predecessor in title.

6. Except as amended herein, this resolution shall not affect any other terms conditions or provision of the SEWER USE RESOLUTION.

PASSED AND APPROVED this 19th day of April, 1994.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

**NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #4  
RECORDS MANAGEMENT PLAN**

**WHEREAS**, Title 6, Subtitle C, Local Government Code provides that the District must establish by policy an active and continuing records management program to be administered by a Records Management Officer; and

**WHEREAS**, the Nueces County Water Control and Improvement District No. 4 desires to adopt a policy for that purpose and to prescribe policies and procedures consistent with the Local Government Records Act and in the interests of cost effective and efficient recordkeeping;

**NOW, THEREFORE, BE IT RESOLVED**, from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control and Improvement District No. 4 that:

**SECTION A    DEFINITION OF DISTRICT RECORDS**

All documents, papers letters, books, maps, photographs, sound or video recordings, microfilm, magnetic tape, electronic media, or other information recording media, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by Nueces County Water Control and Improvement District No. 4 or any of its officers or employees pursuant to law or in the transaction of public business are hereby declared to be the records of the Nueces County Water Control and Improvement District No. 4 and shall be created, maintained, and disposed of in accordance with the provisions of this policy or procedures authorized by it and in no other manner.

**SECTION B    ADDITIONAL DEFINITIONS**

"Department head" means officer who by ordinance, order, or administrative policy is in charge of an office of the Nueces County Water Control and Improvement District No. 4 that creates or receives records.

"Essential record" means any record of the Nueces County Water Control and Improvement District No. 4 necessary to the resumption or continuation of operations of the Nueces County Water Control and Improvement District No. 4 in an emergency or disaster, to the re-creation of the legal and financial status of the Nueces County Water Control and Improvement District No. 4, or to the protection and fulfillment of obligations to the people of the state.

"Permanent record" means any record of the Nueces County Water Control and Improvement District #4 for which the retention period on a record control schedule is given as permanent.

"Records control schedule" means a document prepared by or under the authority of the Records Management Officer listing the records maintained by the Nueces County Water Control and

Improvement District No. 4, their retention periods, and other records disposition information that the records management program may require.

"Records management" means the application of management techniques to the creation, use, maintenance, retention, preservation, and disposal of records for the purposes of reducing the costs and improving the efficiency of recordkeeping. The term includes the development of records control schedules, the management of filing and information retrieval systems, the protection of essential and permanent records, the economical and space-effective storage of inactive records, control over the creation and distribution of forms, reports, and correspondence, and the management of micrographics and electronic and other records storage systems.

"Records management officer" is the person designated in Section E of this policy.

"Records Management plan" is the plan developed under Section F of this policy.

"Retention period" means the minimum time that must pass after the creation, recording, or receipt of a record, or the fulfillment of certain actions associated with a record, before it is eligible for destruction.

#### **SECTION C    WATER DISTRICT RECORDS DECLARED PUBLIC PROPERTY**

All District records as defined in Section A of this policy are hereby declared to be the property of the Nueces County Water Control and Improvement District No. 4. No District official or employee has, by virtue of his or her position, any personal or property right to such records even though he or she may have developed or compiled them. The unauthorized destruction, removal from files, or use of such records is prohibited.

#### **SECTION D    POLICY**

It is hereby declared to be the policy of the Nueces County Water Control and Improvement District No. 4 to provide for efficient, economical, and effective controls over the creation, distribution, organization, maintenance, use, and disposition of all water district records through a comprehensive system of integrated procedures for the management of records from their creation to their ultimate disposition, consistent with the requirements of the Texas Local Government Records Act and accepted records management practice.

#### **SECTION E    DESIGNATION OF RECORDS MANAGEMENT OFFICER**

The Board of Directors of the Nueces County Water Control and Improvement District No. 4, shall designate an individual, employed by the District, to serve as Records Management Officer for the Nueces County Water Control and Improvement District No. 4. In the event of the resignation, retirement, dismissal, or removal by action of the Board of Directors of the Nueces County Water Control and Improvement District No. 4 of the individual so designated, the Board of Directors of the Nueces County Water Control and Improvement District No. 4 shall promptly designate another individual to serve as Officer. The individual designated as Records Management Officer shall file

his or her name with director and librarian of the Texas State Library within thirty days of the date of designation, as provided by state law.

#### **SECTION F    PLAN TO BE DEVELOPED; APPROVAL OF PLAN; AUTHORITY OF PLAN**

1.    The Records Management Officer shall develop a records management plan for the Nueces County Water Control and Improvement District No. 4 for submission to the Board of Directors of the Nueces County Water Control and Improvement District No. 4. The plan must contain policies and procedures designed to reduce the costs and improve the efficiency of recordkeeping, to adequately protect the essential records of the District, and to properly preserve these records of the District that are of historical value. The plan must be designed to enable the Records Management Officer to carry out his or her duties prescribed by state law and this policy effectively.

2.    Once approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4, the records management plan shall be binding on all offices, departments, divisions, programs, commissions, bureaus, boards, committees, or similar entities of the Nueces County Water Control and Improvement District No. 4 and shall be created, maintained, stored, microfilmed, or disposed of in accordance with the plan.

3.    State law relating to the duties, other responsibilities, or recordkeeping requirements of a department head do not exempt the department head or the records in the department head's care from the application of this policy and the records management plan adopted under it and may not be used by the department head as a basis for refusal to participate in the records management program of the Nueces County Water Control and Improvement District No. 4.

#### **SECTION G    DUTIES OF RECORDS MANAGEMENT OFFICER**

In addition to other duties assigned , the Records Management Officer shall:

1.    administer the program and assist department heads in its implementation;
2.    plan, formulate, and prescribe records disposition policies;
3.    in cooperation with department heads, identify essential records and establish a disaster plan for each department to ensure maximum availability of the records in order to reestablish operations quickly and with minimum disruption and expense;
4.    develop procedures to ensure the permanent preservation of historically valuable records of the District;
5.    establish standards for filing and storage and for recordkeeping supplies;
6.    study the feasibility of and, if appropriate, establish a uniform filing system and forms design and control system for the Nueces County Water Control and Improvement District No. 4.
7.    provide records management advice and assistance to all departments;
8.    monitor records retention schedules and administrative rules issued by the Texas State Library and Archives Commission to determine if the records management program and the District's records control systems, standards, and procedures; schedules are in compliance with state



regulations;

9. disseminate to the Board of Directors of the Nueces County Water Control and Improvement District No. 4 and department heads information concerning state laws and administrative rules relating to local government records;

10. ensure that the maintenance, preservation, microfilming, destruction, or other disposition of District records is carried out in accordance with the policies and procedures of the records management program and the requirements of state law;

11. maintain records on the volume of records destroyed under approved records control schedules, the volume of records microfilmed or stored electronically, and the estimated cost and space savings as the result of such disposal or disposition;

12. report annually to the Board of Directors of the Nueces County Water Control and Improvement District No. 4 non-compliance by department heads or other District personnel with the policies and procedures of the records management program or the Local Government Records Act.

#### **SECTION H SCHEDULES DEVELOPED; APPROVAL; FILING WITH STATE**

1. The Records Management Officer shall prepare records control schedules listing all records created or received and the retention period for each record.

2. Each records control schedule shall be monitored and amended as needed by the Records Management Officer on a regular basis to ensure that it is in compliance with records retention schedules issued by the state and that it continues to reflect the recordkeeping procedures and needs of the records management program of the Nueces County Water Control and Improvement District No. 4.

3. Before its adoption, a records control schedule must be submitted to and accepted for filing by the director and librarian as provided by state law. If a schedule is not accepted for filing, the schedule shall be amended to make it acceptable for filing. The Records Management Officer shall submit the records control schedules to the director and librarian.

#### **SECTION I IMPLEMENTATION OF SCHEDULES; DESTRUCTION OF RECORDS.**

1. A record whose retention period has expired on a records control schedule shall be destroyed unless an open records request is pending on the record, or the subject matter of the record is pertinent to a pending law suite.

2. Prior to the destruction of a record under an approved records control schedule, authorization for the destruction must be obtained from the Records Management Officer.

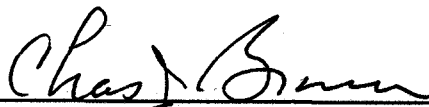
#### **SECTION J DESTRUCTION OF UNSCHEDULED RECORDS**

A record that has not yet been listed on an approved records control schedule may be destroyed if its destruction has been approved in the same manner as a record destroyed under an approved schedule.

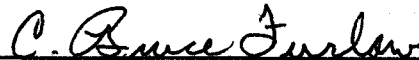
## SECTION K MICROGRAPHICS

Unless a micrographics program is specifically exempted by order of the Board of Directors of the Nueces County Water Control and Improvement District No. 4, all microfilming of records will be centralized and under the direct supervision of the Records Management Officer. The records management plan will establish policies and procedures for the microfilming of District records, including policies to ensure that all microfilming is done in accordance with standards and procedures for the microfilming of local government records established in rules of the Texas State Library and Archives Commission. The plan will also establish criteria for determining the eligibility of records for microfilming, and protocols for ensuring that a microfilming program that is exempted from the centralized operations is, nevertheless, subject to periodic review by the records management officer as to cost-effectiveness, administrative efficiency, and compliance with commission rules.

PASSED AND APPROVED this 19<sup>th</sup> day of April, 1994.



Charles J. Brown, Secretary

By 

C. Bruce Furlow, President

**MINUTES OF  
SPECIAL MEETING**

**APRIL 5, 1994**

**STATE OF TEXAS           §**

**COUNTY OF NUECES       §**

On the 5th day of April, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Ed Reed
Director	George Hawn

Absent:           None

Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Attorney	Charles Zahn, Jr.

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Hawn to approve the minutes of the February 3, 1994 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Executive Session**

A motion was duly made and seconded to recess the Special Meeting and reconvene in an executive session as authorized by Tex. Rev. Civ. Stat. Art. 6252-17§ 2(g) for the discussion of the following business:

a.   Evaluation of Personnel

The Board recessed the executive session and reconvened the open meeting.

**Sherrill Retirement/  
Employment Contract**

Mr. Furlow read a retirement letter submitted by Mrs. Sherrill. The Board agreed to honor Mrs. Sherrill's request to retire effective June 30, 1994, with regrets. A motion was made by Mr. Hawn and seconded by Mr. Brown to authorize the President, Mr. Furlow, to negotiate an employment contract with Mr. Jim Edmonson to serve as assistant manager of the District until Mrs. Sherrill's retirement. The motion carried.

**Engineer's Report**

No report was given.

**Manager's Report**

No report was given.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

  
C. Bruce Furlow, President

**MINUTES OF  
REGULAR MEETING**

**FEBRUARY 3, 1994**

On the 3rd day of February, 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.
	Superintendent	Rudy Vela
	Auditor	Gary Davenport
Visitors:	Property Owner	Johnny Roberts

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Miget to approve the minutes of the January 26th and 27th, 1994 meetings. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**1992/93**

**Audit**

Mr. Davenport presented the 1992-93 Audit and complimented the District's staff for the outstanding and efficient manner in which they assisted with the audit. After review, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the audit as presented with corrections as noted. The motion carried unanimously.

**Director's  
Election**

A motion was made by Mr. Reed and seconded by Mr. Brown to Order the 1994 Director's Election to be held on May 7, 1994. The motion carried unanimously. (Notice and Order of Election is attached and becomes a permanent part of these minutes.)

**Records  
Management  
Officer**

A motion was made by Mr. Reed and seconded by Mr. Miget to appoint Mary Moss as the Records Management Officer, as prescribed by Texas Local Governmental Records Law. The motion carried unanimously.

**Policies -  
Investments,  
Contracts,  
Mgmt Info  
& Investment  
Officer**

After discussion of Policies of the District, a motion was made by Mr. Reed and seconded by Mr. Miget to adopt a Resolution Establishing Principles And Criteria For Handling, Investing And Securing Of Funds Of The District; Providing Criteria For Selection, Monitoring, Review And Evaluation Of Professional Service Contracts Of The District; And Providing Criteria To Ensure Better Use Of Management Information And To Appoint The District Manager As The Investment Officer Of The District. The motion carried unanimously. (The Resolution is attached and becomes a permanent part of these minutes.)

**Financial  
Report**

Mrs. Sherrill presented the financial reports for October, November and December for all funds. After discussion, a motion was made by Mr. Reed and seconded by Mr. Brown to approve the statements as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr. Urban gave a review of District related business. (A copy of this report is on file in the District's office.)

**Manager's  
Report**

No report was given.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Charles J. Brown  
Charles J. Brown, Secretary

RESOLUTION ESTABLISHING PRINCIPLES AND CRITERIA FOR THE HANDLING, INVESTING AND SECURING OF FUNDS OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4; PROVIDING CRITERIA FOR THE SELECTION, MONITORING, REVIEW AND EVALUATION OF PROFESSIONAL SERVICE CONTRACTS OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4; AND PROVIDING CRITERIA TO ENSURE BETTER USE OF MANAGEMENT INFORMATION

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 50.381 of the Water Code of the State of Texas, is required and has authority to adopt rules and regulations which establish principles, guidelines and criteria for the handling, investing and securing of funds of the District; establishing criteria for the selection, monitoring, review and evaluation of professional service contracts of the District; and establishing criteria to ensure better use of management information by the Board of Directors of the District; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy establishing principles, guidelines and criteria for the handling, investing and securing of funds of the District; establishing criteria for the selection, monitoring, review and evaluation of professional service contracts of the District; and establishing criteria to ensure better use of management information by the Board of Directors of the District.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that all Board Members, officers and employees of the District shall conduct themselves in a manner consistent with sound business practices; that the public interest shall

always be considered in handling, investing and securing of funds of the District; in the selection, monitoring, review and evaluation of professional service contracts of the District; and in the use of management information by the Board of Directors of the District; and that the Board of Directors of the District shall control and manage the affairs of the District fairly, impartially, and without discrimination, and in accordance with the stated purpose of the District.

#### Section 1. Purpose

This policy has been adopted by the Board of Directors of the District to establish principles, guidelines and criteria for the handling, investing and securing of funds of the District; to establish criteria for the selection, monitoring, review and evaluation of professional service contracts of the District; and to establish criteria to ensure better use of management information by the Board of Directors of the District.

#### Section 2. Investments

##### 2.01 Purpose

This policy with respect to District investments has been adopted to establish the principles and criteria by which the funds of the District should be invested and secured (a) to preserve the principal, (b) to earn interest, and (c) to comply with various provisions of Texas law relating to the investment and security of funds of districts ("Investment Laws"). As of the date of the adoption of these policies, Sections 54.307 and 54.308 of the Water Code of the State of Texas, Articles 2529b-1 and 4413(34c) of the Revised Civil Statutes of Texas, Chapter 116 of the Local Government Code, and any other appropriate statutes are applicable to the investment of the District's funds.

##### 2.02 Policy of Investments

- A. The preservation of the District's principal shall be the primary concern of the District officials who are responsible for the investment of District funds. To the extent that the principal is protected, District funds shall be invested to yield the highest possible rate of return, taking into consideration the strength of the financial institution, and complying with any Internal Revenue Service laws or regulations and procedures set forth in any bond resolutions or orders, adopted from time to time by the Board of Directors, requiring yield restrictions. Funds of the District shall be invested by the District's officials in accordance with this policy. Any resolution or order adopted by the Board of Directors relating to investment policies or procedures shall be in writing and shall be made available to requesting members of the public.

- B. District funds shall be invested and reinvested by the District's investment officer only in national or state banking associations or savings and loan association located within the State of Texas ("Texas financial institutions"), or, in federal treasury bills. The principal, plus accrued interest, invested in financial institutions in accordance with this policy shall not exceed the FDIC or FSLIC insurance limits or exceed the collateral (as such term is hereinafter defined) pledged as security for the District's investments.
- C. It shall be the responsibility of the District's investment officer to invest and reinvest the District's funds in accordance with this policy to meet the needs and requirements of the District. The Board of Directors, by separate resolution, may provide that the investment officer may withdraw or transfer funds from and to accounts of the District on such terms as the Board of Directors considers advisable. Providing however, that nothing hereinabove provided shall authorize any transfer, expenditure, or appropriation of District funds, other than for the District's own account, unless by check or draft signed by the President of the Board of Directors or as authorized by separate order or resolution of the Board of Directors.
- D. Funds in the District accounts shall be invested by the District's investment officer as follows:
1. Construction or Capital Projects Account: Funds in this account shall be invested in accordance with any applicable orders of the Texas Natural Resources and Conservation Commission to meet the construction needs of the District as determined by the District's engineer. The engineer shall submit to the Board of Directors semi-annual written reports stating the anticipated construction needs of the District for the succeeding twelve (12) months.
  2. Debt Service Account: Funds in this account shall be invested to meet the debt service requirements of the District and to comply with the District's bond resolutions or orders.
  3. Operating or General Account: Funds in this account shall be invested to meet the operating requirements of the District as determined by the annual operating budget of the District, or by resolution of the Board of Directors.
- E. Should total District funds exceed FOUR MILLION FIVE HUNDRED AND NO/100THS (\$4,500,000.00) DOLLARS, there is hereby established an investment committee, composed of the District's investment officer, the District's financial advisor, and at least one (1) director. The investment committee shall meet periodically to monitor and review the investments and collateral of the District. The investment officer shall be the chairman of the committee. The committee shall report concerning the District's investment transactions for the preceding year describing the investment position of the District at



the end of each fiscal year. The report shall be signed by the members of the committee. The committee shall also report to the Board of Directors on its review the month following each quarterly meeting.

### 1.03 Security of District Funds

- A. It shall be the policy of the District that all funds shall be insured by the FDIC, FSLIC, or by collateral pledged to the extent of the fair market value of the amount not insured. The District officials recognize that FDIC and FSLIC insurance is only available up to a maximum of ONE HUNDRED THOUSAND AND NO/100THS (\$100,000.00) DOLLARS (including accrued interest) and that the amount of funds at any one Texas financial institution (including branch banks located within the same county) will be cumulated to determine the maximum amount of insurance coverage.
- B. To the extent District funds are not insured by the FDIC or FSLIC, there shall be pledged as collateral, to the extent of the market value thereof, any of the following securities: (1) government securities or obligations issued by the State of Texas, its agencies or political subdivisions, and approved the Attorney General of Texas payable from taxes or revenues; or, (2) direct obligations of the United States of America backed by the full faith and credit of the government; or, (3) any other obligations or securities authorized to be collateral securing funds of districts under the laws of the State of Texas (collectively, the "collateral").
- C. The investment officer shall review the fair market value of the collateral pledged to secure the District's funds on a quarterly basis to ensure that the District's funds are fully secured. The investment committee shall report to the Board of Directors on its review the month following each quarterly meeting.
- D. There shall be no sharing, splitting, or cotenancy of collateral with other parties or entities. The investment officer shall ensure that the custodian of the collateral shall be an independent third party Texas financial institution and that the collateral shall be pledged only to the District. The investment officer shall obtain safe-keeping receipts from the Texas financial institution regarding same.

## Section 3. Professional Services Policy

### 3.01 Purpose

This professional services policy has been adopted to provide for the selection, monitoring, review, and evaluation of the District's professional services contracts. Consultants retained by the District to provide professional services include, but are not limited to, legal, engineering, financial advisor, management, bookkeeping, auditing, and tax collecting. Selection of such consultants shall be based upon their qualifications and experience.

### 3.02 Periodic Review

The performance of the consultants providing professional services to the District shall be regularly monitored and reviewed by the Board of Directors, and the Board of Directors may appoint a professional services committee to provide such monitoring and review to the Board of Directors.

## Section 4. Management Policy

### 4.01 Purpose

The Board of Directors desires to adopt a policy to ensure better use of management information, including the use of budgets in planning and controlling costs, the establishment of a functioning audit committee, and the use of uniform reporting requirements.

### 4.02 Accounting Records

District accounting records shall be prepared on a timely basis and maintained in an orderly manner, in conformity with generally accepted accounting principles and the requirements of the Texas Natural Resources and Conservation Commission. Such records shall be available for public inspection during regular business hours at the District's office.

### 4.03 Audit Requirements

- A. Unless otherwise exempted by the rules of the Texas Natural Resources and Conservation Commission (formerly the Texas Water Commission) as described in 5.03 C., the District's fiscal accounts and records shall be audited annually in accordance with State law governing the audits of water districts, at the expense of the District, by a certified public accountant familiar with the Texas Natural Resources and Conservation Commission's rules, regulations, standards, and guidelines applicable to water district audits. As of the date of the adoption of these policies, Sections 50.371-50.379 of the Texas Water Code and 31 Texas Administrative Code section 293 (Rules of the Texas Natural Resources and Conservation Commission) govern the audits of water districts (the "Audit Laws").
- B. The audit, or other required affidavit, shall be completed and filed within the time limits established by the Audit Laws. Copies shall be filed with the Texas Natural Resources and Conservation Commission and the county in which the District is located, or the city in which the District is located (if within corporate limits or extraterritorial jurisdiction) together with an annual filing affidavit in a form prescribed by the Audit Laws. In the event the Board of Directors refuses to approve the annual audit report, the District shall file a statement with the audit which explains the reasons for disapproval of the audit.
- C. If the District does not have sufficient revenues or activity so that it meets the requirements of the Audit Laws for financially dormant or inactive districts, it may prepare and submit an annual

financial dormancy affidavit or an annual financial report described in the Audit Laws.

- D. If the District violates the Audit Laws, it may be subject to a civil penalty.

#### 4.04 Audit Committee

The Board of Directors shall establish an audit committee comprised of at least two (2) directors and such persons as the Board of Directors may deem appropriate. The persons selected should not be directly responsible for work subject to the audit. The audit committee shall conduct, at a minimum, an annual review of the District's financial status. The committee shall monitor variances from the District's budget, and shall make recommendations thereon to the Board of Directors. The committee shall also review the annual District audit, and shall make recommendations thereon to the Board of Directors.

#### 4.05 Budget

The District shall annually adopt a budget in accordance with Rule 31 of the Texas Administrative Code, Section 293 (J) (3), for use in planning and controlling District costs. Such budget shall take into consideration all District revenues, including, but not limited to, utility fees, taxes and surcharges, if any, and all projected District obligations and expenditures. The budget may be amended at any time but such amendment shall be approved by the Board of Directors. The manager of the District has the authority to reallocate any line item in the budget.

PASSED AND APPROVED this 3rd day of February, 1994.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

**MINUTES OF  
SPECIAL MEETING**

**JANUARY 27, 1994**

**STATE OF TEXAS                    §**

**COUNTY OF NUECES               §**

On the 27th day of January 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Ed Reed
Director	George Hawn

Absent:                None

Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.

Visitors:	Property Owners	Johnny Roberts
		Ms. Carol Woodfin

The meeting was called to order by the presiding officer, Mr. Furlow pursuant to notice posted.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Hawn to approve the minutes of the November 30, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**1994**

**Dump**

**Truck**

Mrs. Sherrill reviewed the bids received January 19, 1994 for a 1994 cab and chassis replacement of the 1977 dump truck as follows;

Power Equipment	International	\$23,537.66
Crosstown Ford	Ford	\$26,314.96
French-Ellison	GMC	\$29,749.00

The staff's recommended the Crosstown Ford bid of \$26,314.96 as the lowest bid did not meet the District's published specifications. A motion was made by Mr. Brown and seconded by Mr. Hawn to approve the purchase from Crosstown Ford in the amount of \$26,314.96 as recommended by the staff. The motion carried unanimously.

**MWWPP**

**Audit**

Mrs. Sherrill presented the Municipal Water Pollution Prevention Environmental Audit for 1993 for review and approval as required by the National Pollutant Discharge Elimination System (NPDES) Permit No. TX 024287. A motion was made by Mr. Brown and seconded by Mr. Hawn to pass a resolution to approve the audit as presented. The motion carried unanimously. (A copy of the resolution is attached and becomes a permanent part of these minutes)

**Reject  
Annexation  
Petitions**

A motion was made by Mr. Brown and seconded by Mr. Miget to reject petitions for annexation dated August 22, 23 and November 19, 1990 due to lack of action. The petitions are listed as follows;

- |   |   |
|---|---|
| 1. Presbyterian Mo Ranch-69.8 acres                     | 7. The MustangBay Co. Tracts-306.73 acres   |
| 2. Franklin Lockard Flato-3.442 acres                   | 8. Franklin Flato Tracts-81.26 acres        |
| 3. Franklin Flato-62.50 acres                           | 9. Flato Electric Supply Co.-23.43 acres    |
| 4. Franklin Flato & Flato Properties, Inc.-35.310 acres | 10. The Franklin Flato Tracts-501.03 acres  |
| 5. Franklin Flato Partnership-179.73                    | 11. Edwin Flato & Rodgers Estes-40.03 acres |
| 6. Edwin Flato, Trustee-20.88 acres                     |   |

The motion carried unanimously.

**District  
Policies**

After review, Mr. Hawn made a motion to approve the Resolution Approving Rules And Regulations For The Providing Of Water And Sewer Service To Areas Located Within The Boundaries Of The Nueces County Water Control & Improvement District No. 4; Approving Fees And Charges For The Construction Of Facilities To Transmit Water And Collect Sewage From Areas Located With The Boundaries Of The Nueces County Water Control & Improvement District No. 4; Approving Water And Wastewater Rates For Users Of Water And Sewer Services Provided By Approving Water And Wastewater Rates For Users Of Water And Sewer Services Provided By The Nueces County Water Control & Improvement District No. 4; Establishing A Code Of Conduct Governing The Official Conduct Of Officials To The Nueces County Water Control & Improvement District No. 4; And Establishing Policies And Procedures For The Operation Of The Nueces County Water Control & Improvement District No. 4, And The Administration Of Its Employees. The motion was seconded by Mr. Miget. The motion carried unanimously. ( A copy of the resolution is attached and becomes a permanent part of these minutes)

**Septic Tank  
Policy**

Mr. Urban presented his recommendations for review. After much discussion, the staff was instructed to continue developing a policy and present it at the next scheduled meeting.

**Annexation  
Policy**

Mr. Zahn presented his recommendations for the annexation of properties prior to the extension of water and sewer service. After much discussion, a motion was made by Mr. Reed and seconded by Mr Miget to pass a Resolution Approving Standards For The Annexation Of Properties Into The Nueces County Water Control & Improvement District No. 4 Prior To The Extension Of Water And Sewer Service To Those Areas Not Included Within The Boundaries Of The Nueces County Water Control & Improvement District No. 4. The motion passed unanimously. (A copy of the resolution is attached and becomes a permanent part of these minutes)

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office).

**Financial  
Report**

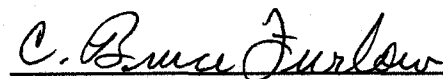
No report was filed.

**Engineer's  
Report**

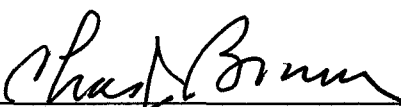
No report was filed.

As there was no further business to come before the Board, a motion ws duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary

## ENVIRONMENTAL AUDIT REPORT RESOLUTION

A RESOLUTION to inform Environmental Protection Agency, Region 6, that the following actions were taken by the Board of Directors of the Nueces County Water Control and Improvement District No. 4.

WHEREAS, Nueces County Water Control & Improvement District No. 4 has received an Information Order from the United States Environmental Protection Agency as authorized by the Clean Water Act, Section 308 (a) (A); and

WHEREAS, said order requires Nueces County Water Control & Improvement District No. 4 conduct an environmental audit in compliance with a program to promote Municipal Water Pollution Prevention (MWPP); and

WHEREAS, Environmental Protection Agency requires the governing body to review the audit prior to submittal.

NOW THEREFORE BE IT RESOLVED, by the Nueces County Water Control & Improvement District No. 4, that Environmental Protection Agency, Region 6 be informed that the following actions were taken by the Board of Directors:

1. Reviewed Municipal Water Pollution Prevention Environmental Audit Report which is attached to this resolution.
2. Set forth the following actions necessary to maintain the permit requirements in the National Pollutant Discharge Elimination System Permit No. TX0024287.
  - a. Continue operation and maintenance of the existing Wastewater Treatment Plant.

PASSED AND APPROVED ON THIS THE 27<sup>th</sup> DAY OF January 1994.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Charles J. Brown  
Charles J. Brown, Secretary

RESOLUTION APPROVING RULES AND REGULATIONS FOR THE PROVIDING OF WATER AND SEWER SERVICE TO AREAS LOCATED WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4: APPROVING FEES AND CHARGES FOR THE CONSTRUCTION OF FACILITIES TO TRANSMIT WATER AND COLLECT SEWAGE FROM AREAS LOCATED WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4; APPROVING WATER AND WASTEWATER RATES FOR USERS OF WATER AND SEWER SERVICES PROVIDED BY THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4; ESTABLISHING A CODE OF CONDUCT GOVERNING THE OFFICIAL CONDUCT OF OFFICIALS OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4; AND ESTABLISHING POLICIES AND PROCEDURES FOR THE OPERATION OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4, AND THE ADMINISTRATION OF ITS EMPLOYEES.

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water and sewer services, including assessments for maintenance and operations; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern the operation of the District and the administration of its employees; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy which establishes rules and regulations for the providing of water and sewer service to areas located within the District; which adopts fees and charges for the construction of facilities to transmit water and collect sewage from areas located within the District; which adopts water and wastewater rates for the users of water and wastewater services provided by the District; which govern the official conduct of officials of the District; and which govern the operation of the District and the administration of its employees.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with the rules, regulations, policies, and resolutions adopted from time to time by the Board of Directors of the District, as well as the payment of all fees, charges and rates prescribed by the Board of Directors of the District.

2. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with all requirements of standard building codes prescribed by local, state and/or federal governmental authorities or with common usage where standard building codes do not prescribe requirements or standards.

3. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water service provided by the District to said tract or parcel of land upon compliance with the provisions of the WATER USE RESOLUTION attached hereto as Exhibit "I." and incorporated herein as-if set forth in full. Every person who owns a tract or parcel of land located within the boundaries of the District shall agree to comply with said resolution as a condition of receiving such service. The agreement to comply with the resolution shall be presumed at such time as the District begins to provide such service.

4. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have sewer service provided by the District to said tract or parcel of land upon compliance with the provisions of the SEWER USE RESOLUTION attached hereto as Exhibit "II." and incorporated herein as-if set forth in full. Every person who owns a tract or parcel of land located within the boundaries of the District shall agree to comply with said resolution as a condition of receiving such service. The agreement to comply with the resolution shall be presumed at such time as the District begins to provide such service.

5. Every person who desires to collect, transport and/or dispose of liquid waste within the boundaries of the District shall be entitled to collect, transport and/or dispose of liquid waste upon compliance with the provisions of the LIQUID WASTE DISPOSAL RESOLUTION attached hereto as Exhibit "III." and incorporated herein as-if set forth in full.

6. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with the provisions of the WATER AND WASTEWATER CONSTRUCTION STANDARDS FOR THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 RESOLUTION attached hereto as Exhibit "IV." and the STANDARD DETAIL EXHIBITS made a



part thereof attached hereto as Exhibit "V.", both of which are incorporated herein as-if set forth in full.

7. Every person who owns a tract or parcel of land located within the boundaries of the District and who proposes to develop said tract or parcel of land shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with the provisions of the RESOLUTION ESTABLISHING STANDARDS, POLICIES, PROCEDURES AND CHARGES FOR THE OWNER OF A TRACT OR PARCEL OF LAND WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 WHO PROPOSES TO DEVELOP SAID TRACT OR PARCEL OF LAND attached hereto as Exhibit "VI." and incorporated herein as-if set forth in full.

8. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District through the extension of lines from the existing facilities of the District to said tract or parcel of land upon compliance with the provisions of one of the following:

a. RESOLUTION ON EXTENSION OF WATER AND SEWER SERVICE TO AREAS WITHIN THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 SUBDIVIDED PRIOR TO APRIL 17, 1980; or

b. RESOLUTION ON EXTENSION OF WATER AND SEWER SERVICE TO AREAS WITHIN THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 SUBDIVIDED AFTER APRIL 17, 1980; or

c. RESOLUTION ON EXTENSION OF WATER AND SEWER SERVICE BY MEANS OF A PRIVATE LINE TO AREAS WITHIN THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 SUBDIVIDED PRIOR TO APRIL 17, 1980.

which resolutions are attached hereto as Exhibit "VII" and incorporated herein as-if set forth in full.

9. Every person who owns a tract or parcel of land located within the boundaries of the District and who has water and sewer service provided by the District to said tract or parcel of land shall be subject to and agrees to abide by the maintenance standards for water and wastewater established in the MAINTENANCE RESOLUTION attached hereto as Exhibit "VIII." and incorporated herein as-if set forth in full.

10. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon the payment of all fees, charges, rates and assessments prescribed from time to time by the Board of Directors of the District and set forth on the WATER AND WASTEWATER RESOLUTION, RESOLUTION ON THE INSTALLATION OF MEASURING DEVICES AND ESTABLISHING A CAPITAL RECOVERY FEE FOR INITIAL WATER SERVICE and RESOLUTION ON TAPPING THE SANITARY SEWER SYSTEM OF THE NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4, attached hereto as Exhibit "IX" and incorporated herein as-if set forth in full.

11. Every person who owns a tract or parcel of land located within the

boundaries of the District and who receives water and sewer service provided by the District shall be subject to the provisions and policies set forth in the OFFICE POLICIES RESOLUTION attached hereto as Exhibit "X" and incorporated herein as-if set forth in full.

12. Every person who owns a tract or parcel of land located within the boundaries of the District who desires to have water and sewer service provided by the District to said tract or parcel of land or who desires to collect, transport and/or dispose of liquid waste within the boundaries of the District, or who applies for other services provided from time to time by the District shall make such application on forms approved by the Board of Directors of the District, which forms are attached hereto as Exhibit "XI" and incorporated herein as-if set forth in full.

13. Every person who applies for employment with the District or who is employed by the District, shall make application and accept such employment subject to the provisions of the PERSONNEL POLICIES and the SAFETY HANDBOOK approved by the Board of Directors of the District, which policies and handbook are attached hereto as Exhibits "XII" and "XIII" respectfully, and incorporated herein as-if set forth in full.

14. Every person elected or appointed to serve on the Board of Directors of the District; and every person who is appointed or employed to serve as an officer or an employee of the District, shall be elected, appointed, or employed subject to the provisions of the NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 CODE OF ETHICS FOR DIRECTORS, OFFICERS AND EMPLOYEES approved by the Board of Directors of the District, which code is attached hereto as Exhibit "XIV" and incorporated herein as-if set forth in full.

15. Every person who owns a tract or parcel of land located within the boundaries of the District shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with this resolution, and if said tract or parcel of land is subject to a Utility Services Agreement or other contract approved by the District and the owner or by a previous owner of said tract or parcel of land, upon compliance with the terms and conditions of said Utility Services Agreement or contract.

PASSED AND APPROVED this 27th day of January, 1994.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

RESOLUTION ESTABLISHING A CODE OF ETHICS FOR DIRECTORS, OFFICERS AND EMPLOYEES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 50.381 of the Water Code of the State of Texas, is required and has authority to adopt rules and regulations which establish guidelines for ethical conduct by all Board Members, officers and employees of the District; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy establishing guidelines for ethical conduct by all Board Members, officers and employees of the District.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that all Board Members, officers and employees of the District shall conduct themselves in a manner consistent with sound business and ethical practices; that the public interest shall always be considered in conducting District business; that the appearance of impropriety shall be avoided to ensure and maintain public confidence in the District; and that the Board of Directors of the District shall control and manage the affairs of the District fairly and impartially, and without discrimination, and in accordance with the stated purpose of the District.

Section 1. PURPOSE

The proper operation of the Nueces County Water Control and Improvement District requires that Board members, officers and employees involved in handling the District's business be independent, impartial and responsible to the people; that District decisions and policy be made at the proper level of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of the District. In keeping with this purpose, this Policy together with Definitions, Disclosure of Interest requirements and Standards of Conduct is hereby adopted for all District officials and employees. The purpose of this Policy is to establish guidelines for ethical conduct by all Board members, officers and employees by setting forth those acts or actions which are incompatible with the best interest of the District and by requiring disclosure by Board members, officers, and employees of private financial or other interests in matters affecting the District.

Section 2. DEFINITIONS

- (A) Substantial Interest means a direct or indirect pecuniary or material benefit accruing to a Board member, officer, or employee, (or any persons related to them by blood or marriage in the second degree or closer of consanguinity or affinity), as a result of a contract or transaction which is or may be the subject of an official act or action by or with the District. For the purposes of these Standards, a Board member, officer, or

employee shall be deemed to have a substantial interest in any business entity or real property if:

- (1) Ownership of 10% or more of the voting stock or shares of the business entity; or
  - (2) Ownership of 10% or more of the fair market value of the business; or
  - (3) Ownership of \$5,000 or more of the fair market value of the business entity; or
  - (4) Funds received from the business exceed 10% of (my/her/his) gross income for the previous year; or
  - (5) Real property is involved and (I/he/she) (have/has) an equitable or legal ownership with a fair market value of at least \$2,500.
- (B) Official act or action means any legislative, administrative, appointive or discretionary act of any Board member, officer, or employee of the District or any committee thereof.
- (C) Business entity means any business, proprietorship, firm, partnership, person in representative or fiduciary capacity, association, venture, trust, corporation or any other entity recognized in law.
- (D) Board member, officer, or employee means any person, officer, or employee holding a position by election, appointment or employment in the service of the District, whether paid or unpaid.
- (E) Immediate family means any person to whom the Board member, officer, or employee is related by blood or marriage in the first degree of consanguinity or affinity.

### Section 3. POLICY

It shall be the policy of the District that all Board members, officers, or employees conduct the District's business in conformity with sound business and ethical practices; that the public interest shall always be considered in conducting district business; that the appearance of impropriety shall be avoided to ensure and maintain public confidence in the district; and that the board shall control and manage the affairs of the district fairly, impartially, and without discrimination, and in accordance with the stated purpose of the district.

### Section 4. DISCLOSURE OF INTEREST IN ACTIONS CONSIDERED BY THE MEMBERS OF THE BOARD OF DIRECTORS.

- (A) Any member of the Board of Directors who has a substantial interest in any proposed action before the Board of Director shall disclose for the record of the Board of Directors the nature and extent of such interest and shall abstain from further participation in the matter.
- (B) Any other official or employee who has a substantial interest in any proposed action of the Board of Directors and who participates in discussion with or gives an official opinion or recommendation to the Board of Directors regarding such action shall disclose for the record of the Board of Directors the nature and extent of any such substantial interest.

Section 5. STANDARDS OF CONDUCT

- (A) Any requirements herein set forth shall constitute standards of ethical conduct for Board members, officers, and employees of the District.
- (B) Interest in contract or transaction No Board member, officer, or employee having the power or duty to perform an official act or action related to a contract or transaction which is or may be the subject of an official act or action of the District shall:
  - (1) have or thereafter acquire a substantial interest in such contract or transaction; or
  - (2) have a substantial interest in any business entity involved in such contract or transaction; or
  - (3) have solicited or accepted present or future employment with a person or business entity involved in such contract or transaction; or
  - (4) have solicited, accepted, or granted a present or future gift, favor, service or thing of value from or to a person involved in such contract or transaction.
- (C) Board members, officers, or employees shall not accept gifts, entertainment or other gratuities of more than nominal value from any person having business dealings with the District under circumstances that may involve the appearance of a purpose to influence their conduct as Board members, officers or employees. This subsection shall not prohibit acceptance of meals, awards presented in recognition of public service, or other non-pecuniary recognition in the performance of their duties.
- (D) No Board member, officer, or employee of the District shall knowingly participate in any transaction or decision of the District involving any business entity or property in which such Board member, officer, or employee, has a substantial interest in the business entity or property involved or will be affected by the transaction or decision involved.

- (E) In the event of occurrence or potential occurrence of any transaction or decision in subsection (D), above the Board member, officer, or employee shall disclose the substantial interest by written notice to the Manager (or President) and cease further participation in all decisions relating to such transaction or decision.
- (F) Board members, officers, or employees shall not use for personal gain or disclose to outside parties any information obtained or arising out of the business of the District.
- (G) Board members, officers, or employees of the District shall not accept employment that would create a conflict of interest, cause them to release confidential information or impair independence with respect to the District.
- (H) Board members and officers should conduct themselves in a manner which will benefit the District and should avoid issues and actions that appear questionable or would bring discredit to the District.
- (I) Employees should conduct themselves in a manner which will benefit the District and should avoid issues and actions that appear questionable or would bring discredit to the District. If a questionable situation arises, the employee should contact his supervisor to discuss the matter. When such a discussion is not possible, the employee should rely on his own judgement and discuss the situation with his supervisor as quickly as possible. However, the discussion with the supervisor, after the fact, does not relieve the employee of responsibility for action taken.
- (J) The facilities, personnel, equipment, and supplies of the District shall not be used by any Board member, officer, or employee for personal reasons or for personal gain.
- (K) In no case will a Board member, officer, or employee solicit gifts, entertainment or other forms of compensation which compromises or appears to compromise one's position in carrying out official duties. It is recognized that the acceptance or exchange of gifts or entertainment is a normal social practice under certain circumstances. Business ethics, common sense and the responsibility of public trust form the general basis upon which Board members, officers, and employees can accept/exchange gifts or entertainment. When accepting gifts or entertainment the overriding considerations are that one must not be compromised in the performance of official duties nor provide the perception that one can be influenced by the acceptance of gifts or entertainment. Consequently, the acceptance or exchange of gifts or entertainment must:
  - (1) Conform to the norms of what is customary and proper for that circumstance/situation and not be considered extravagant or excessive.

- (2) Not require the provider of a gift or entertainment to expend special or added effort.
- (3) Not involve any cash payment, gift certificates or credit arrangements.
- (4) Not involve materials, services, repairs, or improvements at no cost or unreasonably low prices.
- (5) Not be frequent.

If any form of compensation is offered to a Board member or officer it shall be reported to the Manager and to the members of the Board. If an employee is offered any form of compensation from a third party it shall be reported to that employee's immediate supervisor and the Manager. If the Manager is offered any form of compensation from a third party it shall be reported to the Board.

- (L) District funds shall not be used to reimburse Board members, officers, or employees for expenditures that are not for District official business.
- (M) District officials shall not disclose, without written legal authorization, confidential information to advance the financial or other private interests of himself or others regarding any contract or transaction which is or may be the subject of an official action of the district.

PASSED AND APPROVED this 27<sup>th</sup> day of January, 1994.

NUECES COUNTY WATER CONTROL &  
IMPROVEMENT DISTRICT NO. 4

C. Bruce Furlow  
C. Bruce Furlow, President

Attest:

Chas Brown

RESOLUTION APPROVING STANDARDS FOR THE ANNEXATION OF PROPERTIES INTO THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 PRIOR TO THE EXTENSION OF WATER AND SEWER SERVICE TO THOSE AREAS NOT INCLUDED WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy requiring that the owners of properties not included in the boundaries of the District must annex said properties into the District before the District shall provide water and/or sewer service from the existing facilities of the District properties not included in the boundaries of the District.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. That every person, firm, partnership, corporation or other business entity that owns a tract or parcel of land not included in the boundaries of the District who requests that the District provide water and/or sewer service to said tract or parcel of land must annex, in a form approved by the attorneys for the District, the tract or parcel of land into the District before it is obligated to provide the water and/or sewer service requested. The tract or parcel of land being annexed into the District must:

- a. be adjacent and contiguous to property located within the boundaries of the District where there is a reasonable method of accessing facilities of the District to provide water and sewer service to said tract or parcel of land; and,



b. be configured such that the width of the tract or parcel of land is generally uniform throughout the entire length of said tract from the property line located farthest from the nearest facilities of the District, over and across said tract or parcel of land to the property line adjacent and contiguous to the nearest facilities of the District (unless the width of the tract or parcel of land being annexed is not generally uniform and the owner of said tract or parcel of land makes application for and annexes the entire tract or parcel of land owned by him into the District); and,

c. if the tract or parcel of land is configured such that the owner of the tract or parcel of land being annexed owns properties contiguous to the Gulf of Mexico to a line contiguous to State Highway 361, or from a property line contiguous to State Highway 361 to a line contiguous to the bay side of Mustang Island, then in that event, the tract or parcel of land being annexed must be configured such that the width of the tract or parcel of land being annexed is uniform throughout the entire length of said tract or parcel of land from the property line contiguous to State Highway 361 to the property line contiguous to the Gulf of Mexico; or from the property line contiguous to State Highway 361 to the property line contiguous to the bay side of Mustang Island, as the case may be.

2. That every person, firm, partnership, corporation or other business entity that owns a tract or parcel of land not included in the boundaries of the District, that is configured such that the owner of the tract or parcel of land being annexed owns properties contiguous to the Gulf of Mexico to a line contiguous to State Highway 361, or from a property line contiguous to State Highway 361 to a line contiguous to the bay side of Mustang Island, who requests that the District provide water service to said tract or parcel of land and who is serving or intends to serve said tract or parcel of land with a private sewage disposal system, must dedicate a twenty (20') foot utility easement along and across that portion of the tract or parcel of land which is contiguous to State Highway 361, to be utilized in the future by the District for the construction of a gravity sewer system along State Highway 361 to the wastewater treatment facilities of the District.

3. That every person, firm, partnership, corporation or other business entity that owns a tract or parcel of land not included in the boundaries of the District who requests that the District provide water and/or sewer service to said tract or parcel of land must agree to comply with, and must comply with all rules, regulations, policies, and resolutions adopted from time to time by the Board of Directors of the District.

4. That every person, firm, partnership, corporation or other business entity that owns a tract or parcel of land not included in the boundaries of the District who requests that the District provide water and/or sewer service to said tract or parcel of land must pay to the District the usual and customary fees, charges and rates, including capital recovery fees, paid by other customers in the District.

5. That every person, firm, partnership, corporation or other business entity that owns a tract or parcel of land not included in the boundaries of the District who requests that the District provide water and/or sewer service to said tract or parcel of land must comply with the terms and

conditions of any Utility Services Agreement or contract approved by the District, and the owner or previous owner of said tract or parcel of land, if said Utility Services Agreement or contract has been imposed on said tract or parcel of land prior to the request for water and/or sewer service.

PASSED AND APPROVED this 27<sup>th</sup> day of January, 1994.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

**MINUTES OF  
WORKSHOP MEETING  
JANUARY 26, 1994**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 26th day of January 1994, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Workshop Meeting at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
	Director	George Hawn
Absent:	None	
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.
	Superintendent	Rudy Vela
Visitors:	Property Owners	Johnny Roberts

The workshop meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.


**Workshop**

The staff presented recommendations for discussion on the following agenda items;

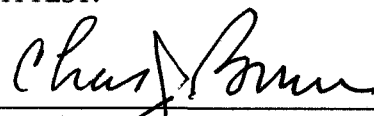
1. Municipal Water Pollution Prevention Environmental Audit Report.
2. Rejections of Petitions for Annexation dated August 22, 23 and November 19, 1990.
3. Resolution approving;
  - a) Rules and Regulations
  - b) Fees and Charges
  - c) Water and Wastewater Rates for Users
  - d) Establishing a Code of Conduct
  - f) Establishing Policies and Procedures
4. Annexation policies.
5. Septic Tank Policy.
6. Manager's Report/Flato's request for water service.

Mr. Furlow closed the workshop meeting at 7:40 p.m.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary

**MINUTES OF**  
**REGULAR MEETING**  
**NOVEMBER 30, 1993**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 30th day of November, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 postponed the meeting for a lack of a quorum and rescheduled for December 8th, 1993 at which time the Regular Meeting convened at 5:00 p.m. at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Vice President	Russ Miget
	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.
	Superintendent	Rudy Vela
Visitors:	South Jetty News	Murray Judson
	Customer	Glen Jacobson
	Property Owners	Johnny Roberts
		Ms. Carol Woodfin
		Mr. & Mrs. John Watson
	Attorney Representing	Larry Sullivan
	Woodfin Group	

**Service**  
**Award**

Mr. Furlow presented a service award for 10 years of outstanding service to Mark Young.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Furlow to approve the minutes of the October 28, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Development**  
**Policies**

Mr. Urban presented a resolution establishing standards, policies, procedures and charges for the owner of a tract or parcel of land within the boundaries of the District who proposes to develop said tract or parcel of land. After discussion, a motion was made by Mr. Reed and seconded by Mr. Brown to approve the resolution as presented. The motion passed unanimously. (A copy of the resolution is attached and becomes a permanent part of these minutes.)

**Woodfin**  
**Group**

Mr. Sullivan, representing the Woodfin Group, reviewed their request for a water line extension. After discussion, Mr. Sullivan requested the cost of acquiring permits be kept separate when estimating the engineer's project cost. No action taken.

**Financial**  
**Report**

No report was filed.

**Engineer's**  
**Report**

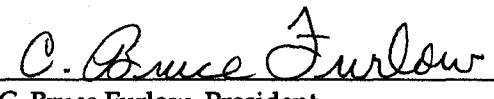
Mr. Urban gave a report on District related business. (A copy of this report is on file in the District office)

**Manager's  
Report**

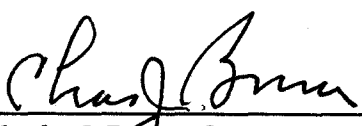
Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary Pro-tem

RESOLUTION ESTABLISHING STANDARDS, POLICIES, PROCEDURES AND CHARGES FOR THE OWNER OF A TRACT OR PARCEL OF LAND WITHIN THE BOUNDARIES OF THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4 WHO PROPOSES TO DEVELOP SAID TRACT OR PARCEL OF LAND.

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of The State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water and sewer services, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy which establishes standards, policies, procedures and charges for the providing of water and sewer service to owners of a tract or parcel of land located within the boundaries of the District who proposes to develop said tract or parcel of land.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this resolution, it shall be the policy of the District that;

1. All owners of a tract or parcel of land located within the boundaries of the District who propose to develop said tract or parcel of land shall install all improvements necessary to provide water and sewer service to said tract or parcel of land in accordance with the standards, policies, procedures and charges established by the District. The installation of the improvements necessary to provide water and sewer service to the tract or parcel of land proposed for development shall be accomplished at no cost or expense to the District.
2. All owners of a tract or parcel of land located within the boundaries of the District who propose to develop said tract or parcel of land shall be responsible for all costs, including, but not limited to, all engineering and attorney's fees, incurred by the District in reviewing plans for the development, providing contracts and agreements between the owner and the District for the District to provide water and sewer to the tract or parcel of land being developed, and for the inspection of the construction of the improvements necessary to provide water and sewer service to the tract or parcel of land being developed. The minimum cost to be paid by the owner developing a tract or parcel of land located within the boundaries of the District are as set forth on Exhibit "A" attached hereto and incorporated herein as-if set forth in full. The minimum charge shall be paid to the District at the time the owner of the tract or parcel of land requests a review and approval of his development plans. Charges incurred by the District in excess of the minimum charge paid by the owner will be billed on a monthly basis as they accrue and will be due and payable monthly or prior to the District providing water and sewer service to the tract or parcel being developed.

3. All owners of a tract or parcel of land located within the boundaries of the District who propose to develop said tract or parcel of land shall follow the procedures for development of said tract or parcel of land set forth on Exhibit "B" attached hereto and incorporated herein as-if set forth in full.

4. That attached hereto as Exhibit "C" is a "Check List" to be used by the owner of a tract or parcel of land located within the District who proposes to develop said tract or parcel of land. Notwithstanding the requirements set forth on Exhibit "C", the owner of a tract or parcel of land located within the District who proposes to develop said tract or parcel of land, shall be required to comply with the requirements for providing water and sewer service adopted from time to time by the Board of Directors of the District.

PASSED AND APPROVED this 8th day of December, 1993.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
C. Bruce Furlow, President

Attest:

Charles J. Brown  
Charles J. Brown, Secretary

## DEVELOPER FEES

### EXHIBIT A

A policy regarding the reimbursement of legal, engineering and all other related cost for developments was passed on November 21, 1980. The policy is as follows:

The Developer will be advised at the time of application for service that he will be charged a minimum fee for the reimbursement of cost relating to the development. All charges above the minimum fee will be billed on a monthly basis.

#### SCHEDULE OF MINIMUM DEVELOPER FEES

<u>Size of Development</u>	<u>Amount of Deposit</u>
0 - 3 Acres	\$300.00
3.1 - 5 Acres	\$450.00
5.1 - 8 Acres	\$600.00
Over 8 Acres	\$750.00



## DEVELOPER'S CHECK LIST

### EXHIBIT B

Check as  
Completed

- 1. Submit plot plan, site location and preliminary development plan.
- 2. Pay developer's fee.

**NOTE:** District will send a list of general requirements and any forms to be completed to the Developer.

- 3. Tax Certificate.
- 4. Copy of recorded deed with restrictions (current owner).
- 5. Copy of dune permit (if applicable).
- 6. Final utility plans and specifications submitted for approval.
- 7. A copy of proposed construction plans.
- 8. Executed utility service agreement.
- 9. Architectural control committee approval.

**NOTE:** District will review plans and specifications, determine fees and send application for service to the Developer.

- 10. Complete and execute water and sewer application.
- 11. Pay water and/or sewer tap fees (if applicable).
- 12. Pay water and/or sewer capital impact fees.
- 13. Construction water application and meter deposit (if applicable).
- 14. Engineer's certificate of completion.
- 15. Dedication of water and sewer lines.
- 16. One year warranty for dedicated lines and appurtenances.
- 17. Dedication of all utility easements.
- 18. "As Built" plans.
- 19. Filing of restrictive covenants (if applicable).
- 20. Petition of annexation (if outside the District).

## DEVELOPER PROCEDURES

### EXHIBIT C

1. Engineer for developer submit three sets of plans to District.
2. District engineer and superintendent review and comment on plan (mark-up and send back to developer)
3. Engineer for developer makes corrections to comply with District's comments and mark-ups if any and resubmits three sets of plans to the District.
4. Engineer for the district approves plans (stamps all three sets as approved), keeps two sets at the District and sends one set to the developer.
5. Works begins and superintendent ensures that construction is in compliance with plans. (Makes notes of any changes on District's work copy)
6. After development completed, Engineer for developer request for final inspection (in writing).
7. District Engineer and Superintendent itemize any corrections to be made and send to Developer.
8. Superintendent approves finals.
9. Developer submits:
  - a. Engineer's Certificate of Completion
  - b. One year Warranty & Guaranty for lines and appurtenances.
  - c. Easements
  - d. As Builts (Stamped and certified by the Developer's Engineer as Approved)
10. Project is complete.

**MINUTES OF  
SPECIAL MEETING  
OCTOBER 28, 1993**

**STATE OF TEXAS                   §**

**COUNTY OF NUECES           §**

On the 28th day of October, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Workshop Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary Pro-tem	Ed Reed
Absent:	Secretary	Charles Brown
	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn, Jr.
	Superintendent	Rudy Vela
Visitors:	Property Owners	Johnny Roberts
		Ms. Carol Woodfin
	Attorney Representing	
	Woodfin	Larry Sullivan

The workshop meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Workshop  
Extension  
Policies**

Mr. Zahn and Mr. Urban presented and explained the staff's recommendations of proposed 'water and sewer extension policies' to serve areas within the District; (1) properties subdivided after April 17, 1980 using a public line, (2) properties subdivided prior to April 17, 1980 using a public line and (3) properties subdivided prior to April 17, 1980 using a private line.

Mr. Furlow closed the workshop meeting and called the special meeting to order at 6:25 p.m.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Miget to approve the minutes of the October 7, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Extension  
Policies**

Mr. Larry Sullivan, attorney representing Ms. Woodfin, Ms. Woodfin and Mr. John Roberts addressed the Board of Directors concerning the extension policies. After much discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the resolutions on extensions of water and sewer service to areas within the District as presented by the staff. The motion carried unanimously. (A copy of the Resolution on Extension of Water and Sewer Service to Areas within the District subdivided after April 17, 1980; the Resolution on Extension of Water and Sewer Service to Areas within the District subdivided prior to April 17, 1980; and the Resolution on Extension of Water and Sewer Service by means of a Private Line subdivided prior to April 17, 1980 are attached and become a permanent part of these minutes.)

**Personnel  
Policies**

Mrs. Sherrill reported that the Amended Personnel Policies were given to all District employees for review and comments. All signature pages were returned with no comments or questions. A motion was made by Mr. Miget and seconded by Mr. Reed to approve the Personnel Policies as amended. The motion carried unanimously. (A copy of the Policies is on file in the District office.)

**Tank  
Maintenance  
Contract**

Mr. Urban reviewed the one bid received for the 1994 Tank Maintenance Contract and recommended the contract be awarded to National Contracting Company for \$208,000. over a 3 year period. A motion was made by Mr. Miget and seconded by Mr. Reed to award the contract as recommended and Mrs. Sherrill will be authorized to execute the contract documents. The motion carried unanimously.

**Engineer's  
Report**

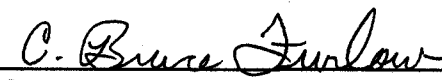
No report was filed.

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Ed Reed, Secretary Pro-tem

RESOLUTION ON EXTENSION OF WATER AND SEWER SERVICE TO AREAS WITHIN THE  
NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4  
SUBDIVIDED PRIOR TO APRIL 17, 1980

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy for extension of water and/or sewer service from the existing facilities of the District to lots located within the District and platted prior to the adoption of the Subdivision Ordinance of the City of Port Aransas, Nueces County, Texas, on April 17, 1980.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. The Resolutions entitled "RESOLUTION OF OFF-SITE EXTENSION OF WATER AND SEWER SERVICE" and "RESOLUTION ON OVERSIZE-OVERDEPTH OF WATER AND SEWER LINES" adopted by the Board of Directors on November 3, 1980, are rescinded and shall no longer be in force and effect as policy of the District.

2. Every person who owns a lot located within the boundaries of the District that is a part of larger tract or parcel of land (a) that was subdivided in accordance with the then valid ordinances or resolutions of the appropriate governmental entity prior to April 17, 1980, the date of the adoption of the Subdivision Ordinance of the City of Port Aransas, Nueces County, Texas, and (b) who has a single family residential structure located on said tract and (c) who does not have water and/or sewer service adjacent to said lot, shall be entitled to have water and/or sewer service provided by the District to said lot upon compliance with the following terms and conditions:

a. The owner who desires to have water and/or sewer service provided to said lot shall request said service from the District and provide the District with an application, along with an application fee of \$200.00 to offset the cost of the preliminary design, authorizing the District to have its engineers prepare a preliminary design of the proposed water and/or sewer line along with a description of the location of easements deemed necessary to construct and maintain said line to establish what costs will be incurred in acquiring the easements, acquiring the necessary permits and constructing the line.

b. The owner who desires to have water and/or sewer service provided to said lot shall authorize the District to acquire the easement or easements deemed necessary to construct and maintain a water and/or sewer line from the nearest existing facility of the District to the nearest point of his lot, and dedicate said easement to the District, the easement and the dedication to be in a form approved by the attorney for the District.

c. The owner who desires to have water and/or sewer service provided to said lot shall authorize the District to make application for and acquire all permits from federal, state and local governmental agencies, which are required to construct and maintain the water and/or sewer lines contemplated by the owner's request, the permits to be assigned to the District in a form approved by the attorney for the District.

d. The owner who desires to have water service provided to said lot shall authorize the District to have its engineers prepare the water project cost using the following:

(1) The cost of preparation of a preliminary design of the proposed line and a description of the easements deemed necessary for construction and maintenance of the proposed line.

(2) The cost of acquiring the easements deemed necessary for construction and maintenance of the proposed line.

(3) The cost of dedicating the easements deemed necessary for construction and maintenance of the proposed line to the District.

(4) The cost of acquiring the permits required by federal, state and local governmental agencies for the construction and maintenance of the proposed line.

(5) The cost of assigning the permits required by federal, state and local governmental agencies for the construction and maintenance of the proposed line.

(6) The cost of constructing the proposed line including but not limited to the costs of acquiring proposals for the construction of the proposed line and the inspection of the construction of the proposed line.

(7) The cost of dedicating the proposed line to the District.

e. After the water project cost is determined by the engineers for the

District, the District will agree to pay one-half ( $\frac{1}{2}$ ) of the water project costs not to exceed THREE THOUSAND AND NO/100THS (\$3,000.00) DOLLARS per lot for each lot requesting the water service contemplated by this resolution, and the owner of the lot will pay the balance of the water project costs. The District will proceed with the design of the proposed line, the acquiring of easements and permits required to construct the proposed line, and the construction of the proposed line at such time as the owner of the lot who desires to have water service provided to said lot shall have deposited with the District the balance of the water project cost. If the water project cost exceeds sums deposited by the owner, the owner will pay the difference between the water project cost and the actual cost (with credit given for the District's share of said cost) within ten (10) days from the date of notification of said additional cost. The District shall not be required to provide water or service to said lot until all water project costs and actual costs have been paid.

f. The owner who desires to have sewer service provided to said lot shall authorize the District to have its engineers prepare the sewer project cost using the following:

(1) The cost of preparation of a preliminary design of the proposed line and a description of the easements deemed necessary for construction and maintenance of the proposed line.

(2) The cost of acquiring the easements deemed necessary for construction and maintenance of the proposed line.

(3) The cost of dedicating the easements deemed necessary for construction and maintenance of the proposed line to the District.

(4) The cost of acquiring the permits required by federal, state and local governmental agencies for the construction and maintenance of the proposed line.

(5) The cost of assigning the permits required by federal, state and local governmental agencies for the construction and maintenance of the proposed line.

(6) The cost of constructing the proposed line including but not limited to the costs of acquiring proposals for the construction of the proposed line and the inspection of the construction of the proposed line.

(7) The cost of dedicating the proposed line to the District.

g. After the sewer project cost is determined by the engineers for the District, the District will agree to pay one-half ( $\frac{1}{2}$ ) of the sewer project costs not to exceed FIVE THOUSAND AND NO/100THS (\$5,000.00) DOLLARS per lot for each lot requesting the sewer service contemplated by this resolution, and the owner of the lot will pay the balance of the sewer project costs. The District will proceed with the design of the proposed line, the acquiring of easements and permits required to construct the proposed line, and the construction of the proposed line at such time as the owner of the lot who desires to have sewer service provided to said lot shall have

deposited with the District the balance of the sewer project cost. If the sewer project cost exceeds sums deposited by the owner, the owner will pay the difference between the sewer project cost and the actual cost (with credit given for the District's share of said cost) within ten (10) days from the date of notification of said additional cost. The District shall not be required to collect or treat sewer or provide any service to said lot until all sewer project costs and actual costs have been paid.

3. The owner of a lot subdivided prior to April 20, 1980, that does not have a single family residential structure located thereon who desires to have water and/or sewer service provided to said lot, is entitled to receive said service by constructing the lines necessary to provide water service or collect and transport sewage from the existing facilities of the District to the nearest point of his property. Said line shall be installed in accordance with the then existing requirements and standards of the District as approved from time to time by its Board of Directors. The owner shall pay all costs of constructing the lines and facilities necessary to provide water and sewer service to said land, and upon completion of construction shall dedicate said lines and facilities to the District along with appropriate easements for their maintenance and operation. The dedication of said lines and facilities and the granting of easements for their maintenance and operation shall be in a form approved by the attorney for the District.

4. The owner of the lot who desires to have water and/or sewer service provided to said lot shall pay to the District the usual and customary fees and charges, including capital recovery fees, paid by other customers in the District.

5. The agreement by the District to extend water and/or sewer lines to the owner who desires to have water and/or sewer service provided to said lot is contingent upon (a) said lot being served by the sewer system of the District, (b) said lot being served by the sewer system of the District as a part of the extension of the water and/or sewer lines being constructed pursuant to the terms of this Resolution, or (c) said lot being served by a private sewage disposal system installed in accordance with the Construction Standards for On-Site Sewerage Facilities adopted by the Texas Department of Health, a certificate of said compliance issued by the Texas Department of Health or by a Registered Professional Engineer being provided to the District at the time application for water and/or sewer service is made to the District.

6. The agreement by the District to provide water and sewer service to the owner who desires to have water and sewer service provided to tracts or parcels of land subdivided prior to April 17, 1980, shall not affect or supercede contracts or utility service agreements entered into by and between the District and the owner of said tract or parcel of land or his predecessor in title.

PASSED AND APPROVED this 28<sup>th</sup> day of October, 1993.



NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

RESOLUTION ON EXTENSION OF WATER AND SEWER SERVICE TO AREAS WITHIN THE  
NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4  
SUBDIVIDED AFTER APRIL 17, 1980

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water and sewer service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy for extension of water and/or sewer service from the existing facilities of the District to lots located within the District and platted after to the adoption of the Subdivision Ordinance of the City of Port Aransas, Nueces County, Texas, on April 17, 1980.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. Every person who owns a tract or parcel of land located within the boundaries of the District who proposes to subdivide said tract or parcel of land and who does not have water or service adjacent to said tract, shall be entitled to have water and sewer service provided by the District to said tract or parcel of land upon compliance with the following terms and conditions (for the purposes of this Resolution, the person meeting this criteria shall be referred to as "owner"):

- a. The owner who desires to have water and service provided to said tract or parcel of land shall cause a plat of said tract or parcel of land to be prepared, approved and filed of record in accordance with the then valid ordinances or resolutions of the appropriate governmental entity.

- b. The owner who desires to have water and/or sewer service provided to said tract or parcel of land shall have the lines and facilities necessary to provide water and sewer service to said land designed and

installed in accordance with the then existing requirements and standards of the District as approved from time to time by its Board of Directors. Said tract or parcel of land shall be developed in accordance with the standards for development adopted and approved by the governmental entity having jurisdiction over said tract or parcel of land.

c. The owner who desires to have water and/or sewer service provided to said tract or parcel of land shall pay all costs of constructing the lines and facilities necessary to provide water and sewer service to said land, and upon completion of construction will dedicate said lines and facilities to the District along with appropriate easements for their maintenance and operation. The dedication of said lines and facilities and the granting of easements for their maintenance and operation shall be in a form approved by the attorney for the District.

2. The owner shall pay to the District the usual and customary fees and charges, including capital recovery fees, paid by other customers in the District prior to the District providing the water service contemplated by this resolution.

3. The agreement by the District to provide water and sewer service to the owner who desires to have water and sewer service provided to tracts or parcels of land subdivided after April 17, 1980, shall not affect or supercede contracts or utility service agreements entered into by and between the District and the owner of said tract or parcel of land or his predecessor in title.

PASSED AND APPROVED this 28<sup>th</sup> day of October, 1993.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

RESOLUTION ON EXTENSION OF WATER SERVICE BY MEANS OF A PRIVATE LINE TO AREAS  
WITHIN THE NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4  
SUBDIVIDED PRIOR TO APRIL 17, 1980

WHEREAS, the Nueces County Water Control & Improvement District No. 4, hereinafter referred to as "District", is a water control and improvement district organized pursuant to Article 16, Section 59, of the Texas Constitution; and,

WHEREAS, the District, pursuant to Section 51.303 of the Water Code of the State of Texas, has authority to adopt rules and regulations which govern methods, terms and conditions of water service, including assessments for maintenance and operations; and,

WHEREAS, the Board of Directors of the District is desirous of adopting a policy for extension of water service by means of a private line from the existing facilities of the District to lots located within the District and platted prior to the adoption of the Subdivision Ordinance of the City of Port Aransas, Nueces County, Texas, on April 17, 1980.

NOW, THEREFORE, BE IT RESOLVED, that from and after the date of the adoption of this Resolution, it shall be the policy of the Nueces County Water Control & Improvement District No. 4 that:

1. Every person who owns a lot located within the boundaries of the District that is a part of larger tract or parcel of land (a) that was subdivided in accordance with the then valid ordinances or resolutions of the appropriate governmental entity prior to April 17, 1980, the date of the adoption of the Subdivision Ordinance of the City of Port Aransas, Nueces County, Texas, and (b) who has a single family residential structure located on said tract or proposed to be constructed on said lot; and (c) who does not have water service adjacent to said lot, shall be entitled to have water service provided by the District to said lot upon compliance with the following terms and conditions (for the purposes of this Resolution, the person meeting this criteria shall be referred to as "owner"):

a. The owner who desires to have water service provided to said lot shall request service from the District utilizing a private water line from the nearest facility of the District to the nearest point of his property and provide to the District with said application, the following:

(1) A preliminary plan showing the location of the nearest facility of the District and the location and a description of the proposed easement in which a private line will be laid.

(2) A copy of the easement granted to the owner of the lot requesting service for construction and maintenance of the proposed private water line in a form approved by the attorney for the District. Said easement shall provide that the easement is valid for so long as a private water line constructed in said easement is utilized by the lot owner.

(3) A copy of all permits from federal, state and local governmental agencies which are required to construct and maintain the private water line contemplated by the owners request.

b. Upon receipt of the application the District will determine if there is no reasonable alternative to the request, and that the health, safety and public welfare as well as the public interest of the District will be served by agreeing to provide water service to the owner through a private water line. The District will notify the owner of its decision and if favorable authorize the owner to proceed with the construction of said private water line.

c. After receipt of approval of his application, the owner shall construct or cause to be constructed a water line from the nearest facility of the District along and in the easement provided in a.(2) above to the nearest point of his property. The construction of the water line will conform with the provisions of the latest addition of the Southern Standard Building Code. Upon completion of said construction, the District will provide a water tap at the point where said line connects to the nearest facility of the District and will provide to the lot owner a supply of fresh potable water.

d. The owner shall agree that the water being provided is for the owner and shall only serve the lot described in the application. The owner shall further agree that the District shall discontinue service at any time that it is determined that more than one lot or customer is being served by said line.

e. The owner shall own said line, shall be responsible for maintaining and operating said line and shall indemnify, save and hold the District harmless from any and all claims, actions or causes of action arising out of or having to do with the providing or interruption of water service through said private water line.

f. The owner shall agree that at such time as the District notifies the owner that the District can provide water service through a public water line that runs adjacent to the lot owned by the owner, the owner will within 6 months from the date of said notification discontinue the private water line and and at his expense tie in to the public water line owned by the District.

2. The owner shall pay to the District the usual and customary fees and charges, including capital recovery fees, paid by other customers in the

District prior to the District providing the water service contemplated by this resolution.

3. The agreement by the District to provide water service to the owner who desires to have water service provided to said lot is contingent upon (a) said lot being served by the sewer system of the District, (b) said lot being served by the sewer system of the District as a part of the extension of the water line being constructed pursuant to the terms of this Resolution, or (c) said lot being served by a private sewage disposal system installed in accordance with the Construction Standards for On-Site Sewerage Facilities adopted by the Texas Department of Health, a certificate of said compliance issued by the Texas Department of Health or by a Registered Professional Engineer being provided to the District at the time application for water and/or sewer service is made to the District.

PASSED AND APPROVED this 28<sup>th</sup> day of October, 1993.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By Bruce Furlow  
Bruce Furlow, its President

Attest:

Charles J. Brown  
Charles J. Brown, its Secretary

**MINUTES OF  
SPECIAL MEETING  
OCTOBER 7, 1993**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 7th day of October, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Director	George Hawn
Secretary Pro-tem	Ed Reed

Absent:               None

Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Robert Nichols
	Superintendent	Rudy Vela

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Service  
Award**

Mr. Furlow presented a service award for 10 years of outstanding service to Lewis Wilcox, chief operator for the North Wastewater Treatment Plant.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Hawn to approve the minutes of the August 18, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Release and  
Convey  
to City of PA  
Unused  
Easement**

The City of Port Aransas requested the District release an unused utility easement across Lots 9, 10 & 11, State Tract 141 and convey to the City of Port Aransas. A motion was made by Mr. Reed and seconded by Mr. Brown to release and convey the easement as requested by a Special Warranty Deed. The motion carried unanimously. (A copy of the the recorded Warranty Deed is on file in the District office.)

**Public  
Birding  
Facility**

The City of Port Aransas made a request to lease properties described as the Northern 55' of Lot 6, Block 148, and the Northern 55' of a 0.434 acre tract out of Lot 5, Block 148, Mustang Island State Lands Surveys for a public birding facility. After discussion, a motion was made by Mr. Reed and seconded by Mr. Brown to enter into a 30 year lease Agreement with the City of Port Aransas for the stated purpose. The motion carried unanimously. (A copy of the lease is on file in the District office.)

**Personnel  
Policy**

Mr. Nichols presented the revised personnel policy for review. After discussion, the Board instructed the staff to present the revised "policy" to the employees for review and comments and prepare any changes for review and approval at the next scheduled meeting.

**1993/94  
Budget**

Mrs. Sherrill presented the proposed 1993/94 budget for review. A projected water and wastewater rate increase was recommended. After discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the 1993/94 budget as proposed with the rate increase as recommended by the staff. The motion carried unanimously. (A copy of the budget is attached and becomes a part of these minutes.)

**Water & Wastewater Rate Increase** A motion was made by Mr. Reed and seconded by Mr. Miget to pass a Resolution and Order executing the increase in rates as recommended. The motion carried unanimously. (The Resolution and Order is attached and becomes a permanent part of these minutes.)

**Executive Session** A motion was duly made and seconded to recess the Regular meeting and reconvene in an executive session, as authorized by Tex. Rev. Civ. Stat. Art. 6252-17§ 2(g) for the discussion of the following business:

- a. Evaluation of Personnel.

The Board recessed the executive session and reconvened the open meeting. There was no action taken on items discussed in the executive session.

**Engineer's Report** No report was filed.

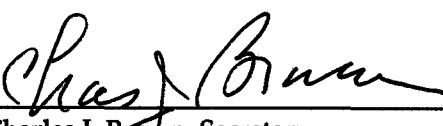
**Manager's Report** No report was filed.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary



1993/94 GENERAL FUND BUDGET SUMMARY

REVENUES

Service Revenues	1,688,200
Tap Connection Fees	15,200
Other Revenues	8,600

TOTAL REVENUES 1,712,000

EXPENDITURES

Water Purchased	414,000
Personnel Cost	480,600
Professional Fees	41,000
Purchased & Contracted	149,300
Recurring Operations	250,900
Capital Outlay	93,200
Contengency	37,000
Transfer/Capital Projects	246,000

TOTAL EXPENDITURES 1,712,000

PROJECTED BUDGET 93/94

ACCOUNT TITLE	August YTD	Estimated	1992/93	1992/93	%	1993/94	NOTES
	Actual	September	Projected	BUDGET	to YE	PROJECTED	
			Year End			BUDGET	
Revenues:							
Water Service	921,501	108,817	1,030,318	1,020,872	1%	1,125,000	Plus 5% Growth
Sewer Service	390,275	40,179	430,454	428,767	0%	472,000	5% Increase minimum and rate
Water Tap	8,438	500	8,938	6,000	49%	8,900	5% Increase minimum and 20% rate
Sewer Tap	5,965	300	6,265	4,000	57%	6,300	
Inspections	430	20	450	275	64%	500	
Reconnects	7,270	600	7,870	7,280	8%	7,900	
Other Service	2,294	70	2,364	1,170	102%	2,400	
MI Drilling	19,649	1,596	21,245	19,163	11%	20,100	Contract
Brown & Root	25,819	1,938	27,757	23,223	20%	20,100	Contract
Harbor Island	43,415	3,191	46,606	38,325	22%	40,200	Contract
Bldg Permits	0	0	0	0		0	
Interest	7,834	743	8,577	8,993	-5%	8,600	Actual-Tex Pool 3.7 Avg for yr
Sale of Material	317	0	317	0		0	
Sale of GFA	0	0	0	0		0	
Cash	0	0	0	0		0	
Other	2,449	0	2,449	0		0	
Activly Fund	(134)	0	(134)	0		0	
Total	1,435,523	157,954	1,593,477	1,558,068	2%	1,712,000	
Expenditures:							
Total Water	350,609	41,255	391,864	376,054	4%	414,000	Projected 504157 5% Growth
Personnel Cost:							without Increase in cost
Salaries	348,151	31,900	380,051	382,800	-1%	377,700	
Retirement	24,324	2,400	26,724	27,700	-4%	23,600	
Insurance	33,946	3,700	37,646	41,100	-8%	33,200	5% Increase over last year
FICA	26,634	2,900	29,534	29,300	1%	28,900	
Workers Comp	13,104	2,050	15,154	23,500	-36%	13,000	Rate decrease
Uniforms	4,433	450	4,883	4,300	14%	3,400	
TEC	740	865	1,605	2,100	-24%	800	
Total	451,331	44,265	495,596	510,800	-3%	480,600	
Professional Cost:							

PROJECTED BUDGET 93/94

ACCOUNT TITLE	August YTD	Estimated	1992/93	1992/93	%	1993/94	NOTES
	Actual	September	Projected	BUDGET	to YE	PROJECTED	
			Year End			BUDGET	
Legal	25,397	1,200	26,597	10,000	166%	10,000	
Engineering	16,250	1,850	18,100	20,000	-9%	20,000	
Auditing	8,500	0	8,500	8,500	0%	11,000	Contracted
Consultant	250	0	250	0		0	
Total	50,397	3,050	53,447	38,500	39%	41,000	
Repair & Maint Cost:							
System	48,036	4,300	52,336	50,500	4%	52,300	
Equipment	34,629	3,400	38,029	32,000	19%	38,000	
Trucks	11,375	750	12,125	9,000	35%	9,000	
Meters	4,220	500	4,720	6,000	-21%	6,000	
Buildings & Grounds	15,577	400	15,977	13,000	23%	27,000	14500 repair on building +3000 for each
Small Tools	2,778	310	3,088	3,500	-12%	3,500	3500 Mini Inland Pump Station Main Office
Lawn Maintenance	12,350	1,125	13,475	13,500	0%	13,500	Contract
Total	128,966	10,785	139,751	127,500	10%	149,300	
Recurring Operations							
Insurance	26,560	0	26,560	25,475	4%	26,600	
Notices & Recordings	250	0	250	500	-50%	500	
Elections	0	0	0	0		800	
Cleaning Services	2,795	520	3,315	3,800	-13%	3,300	
WWTP Lab Supplies	1,322	378	1,700	2,200	-23%	1,700	
Water Samples	1,632	241	1,873	2,200	-15%	1,900	
Fuel	7,599	700	8,299	8,500	-2%	8,700	Add'l tax
Chemicals	10,835	1,571	12,406	17,771	-30%	17,800	Contract 5% Growth
Electricity*	116,419	11,047	127,466	122,724	4%	133,800	Plus 5%-Growth
Telephone	3,991	375	4,366	4,500	-3%	4,500	
Sanitation	2,657	250	2,907	2,700	8%	3,200	10% increase
Gas	110	10	120	340	-65%	300	
Schools & Seminars	1,638	850	2,488	2,500	-1%	2,500	
Milage	464	50	514	900	-43%	900	
TWC Assessment	4,566	1,832	6,398	6,887	-7%	8,400	.005% of wtr & swr revenues
Permits	9,973	0	9,973	6,500	53%	15,000	Per TWC Permit Cost 93/94

PROJECTED BUDGET 93/94

ACCOUNT TITLE	August YTD	Estimated	1992/93	1992/93	%	1993/94	NOTES
	Actual	September	Projected	BUDGET	to YE	PROJECTED	
			Year End			BUDGET	
Land-Lease Payments	974	0	974	1,000	-3%	3,100	WWTP +Park Road 53 Easement
Conservation & Education						1,000	Educational Supplies
Other Expenses	8,192	400	8,592	5,535	55%	5,500	
Dues & Publications	1,213	145	1,358	1,332	2%	1,400	
Office Supplies	4,288	375	4,663	4,500	4%	4,700	
Postage	5,041	300	5,341	5,000	7%	5,300	
Total	210,516	19,044	229,560	224,864	2%	250,900	
Capital Outlay Cost:							
Wtr/Swr Taps	3,992	600	4,592	5,000	-8%	5,200	
Vehicle	16,433	0	16,433	17,000	-3%	30,000	Replace 77 Dump Truck
Major Equipment	13,653	0	13,653	6,600	107%	21,000	Used Trencher-15,000,Trench box 6000
Maintenance Building	4,053	0	4,053	2,000	103%		
Port St Paving & Fence	9,865	0	9,865	9,190	7%		
Mid-Island Pump Build	0	0	0	3,500			
Copier & Shredder	0					5,000	
Computer Upgrade	0					25,000	
Upgrade Telemetry	0					7,000	Alarm System
Total	47,995	600	48,595	43,290	12%	93,200	
Contingency						37,000	Possible employee matters
Subtotal Exp	1,239,814	118,999	1,358,813	1,321,006	3%	1,466,000	
Capital Projects							
Transfer:	195,709	38,955	234,664	237,060	-1%	246,000	
Total Expenditures	1,435,523	157,954	1,593,477	1,558,066	2%	1,712,000	
Over/(Under)	0	0	0	0		0	
Fund Balance	250,000	250,000	250,000	250,000	0%	250,000	

CAPITAL PROJECTS FUND

PROJECTED 92/93 YEAR END

Fund Balance at October 1, 1992

277,824

REVENUES:

Transfer from General Fund

234,664

Interest Income

5,000

TOTAL FUNDS AVAILABLE

517,488

EXPENDITURES:

91/92 Projects Carry Over

218,367

(Lighthouse & Hwy 361 Loop Rd.)

Tank Maintenance

52,291

(Cont-33,750;Paint-6,250;Tower cables-10,000)

Port Street Water Improvements

2,500

(75% from Water C/F)

TOTAL EXPENDITURES

273,158

PROJECTED FUND BALANCE AT SEPT 30, 1993

244,330

PROPOSED 1993/94 BUDGET

REVENUES:

Transfer from General Fund

246,000

Interest Income

5,000

TOTAL FUNDS AVAILABLE

495,330

EXPENDITURES:

Tank Maintenance

100,000

Sewer Projects 93/94

436,180

PROJECTED FUND BALANCE AT SEPT 30, 1994

(40,850)

## 93/94 PROPOSED WAGES

EMPLOYEE	CERTIFICATE	POSITION	YRS OF SVC	CURRENT SALARY	CURRENT HOURLY	Projected Increase %	Amount	Proposed Salary Hourly	Annual	0.0724 TD RS	211.8% MEDICAL 8% Inc	0.0768 PICA	W. + med WK COMP	LIFE-CHRS	0.0060 T E C	Total
ADMINISTRATIVE	Wtr	Swr														Projected Costs
Shortell, Nora	D	D	21	40,911.00	0.00	3%	1200.00	N/A	42,111	3,048.84	2,541.60	3,221.49	138.62	N/A	45.00	51,106.55
Vela, Rudy	C	C	26	38,627.00	0.00	3%	1200.00	N/A	39,827	2,883.47	2,541.60	3,048.77	1,970.66	312.00	45.00	50,626.50
FOREMAN																
Rochester, Mark	C	C	12	22,554.68	10.84	5%	1127.73	11.39	23,682	1,714.61	2,541.60	1,811.70	1,171.82	312.00	45.00	31,279.14
Young, Mark	C	C	10	26,784.00	12.86	4%	1200.00	13.45	27,984	2,026.04	2,541.60	2,140.78	1,384.66	312.00	45.00	36,434.08
Whook, Lewis	X	B	10	20,770.05	9.99	5%	1038.50	10.48	21,809	1,578.94	2,541.60	1,668.35	559.74	312.00	45.00	28,514.19
OPERATIONS AND MAINTENANCE CREW																
Alvarez, Adam	X	X	14	24,680.86	11.87	5%	1234.04	12.46	25,915	1,876.24	2,541.60	1,982.49	1,282.28	312.00	45.00	33,954.51
Hinojosa, David	D	D*	8	18,476.85	8.88	5%	923.84	9.33	19,401	1,404.61	2,541.60	1,484.15	959.96	312.00	45.00	26,148.01
Mike Benavidez	D	D*	2	17,362.80	8.35	5%	868.14	8.76	18,231	1,319.92	2,541.60	1,394.67	902.08	312.00	45.00	24,746.20
McKinney, John	X	C	3	15,600.00	7.50	5%	936.00	7.8/8.1	16,536	1,197.21	2,541.60	1,265.00	424.41	312.00	45.00	22,321.22
Claypool, Kenneth	D	D	3	16,231.90	7.80	5%	460.10	7.8/8.1	16,692	1,208.50	2,541.60	1,276.94	825.93	312.00	45.00	22,901.97
Patty, James	D	D	2	14,976.00	7.20	5%	1144.20	5/7.8/8.1	16,120	1,167.10	2,541.60	1,233.20	797.64	312.00	45.00	22,216.79
Operation/Maint				12,792.00	6.15	5%	624.00	6/6.3/6.6	13,104	166.67	423.60	1,002.46	648.39	48.00	45.00	15,437.12
Kowalski, Jody				12,480.00	6.00	5%	600.00	6.00	12,480	N/A	N/A	954.72	617.62	N/A	45.00	14,097.24
Payne, Danny	T	T	8/18/93	12,480.00	6.00	5%	600.00	6.00	12,480	N/A	N/A	954.72	617.62	N/A	45.00	14,097.24
Vocational Student	VS	VS	8/31/93	2,486.25	4.25	5%	4.25	4.25	2,486	N/A	N/A	190.20	123.02	N/A	N/A	2,799.47
OFFICE																
Mathews, Pat	X	X	12	21,840.00	10.50	5%	1092.00	11.03	22,932	1,660.26	2,420.40	1,754.30	75.49	208.00	45.00	29,096.46
Jos. Mary	X	X	10	26,265.00	12.63	5%	1200.00	13.21	27,471	1,986.67	2,420.40	2,101.50	90.43	N/A	45.00	34,116.85
Roberts, Kathy	X	X	8/18/93	12,480.00	6.00	5%	312.00	6/6.3	12,792	N/A	N/A	978.59	42.11	N/A	45.00	13,857.70
Overtime				2,760.00					2,760	198.82	N/A	211.14	236.57	N/A	N/A	3,407.53
Standby Wages \$50/wk							2600.00		2,600	186.24	N/A	198.90	128.65	N/A	N/A	3,115.79
Totals				380,556.39		4.76%	17,160.56		377,725	23,628	33,222	28,896	13,013	3,376	765	480,625
Projected Budget									377,700	23,600	33,200	28,900	13,000	3,400	800	480,600

# RESOLUTION AND ORDER

## AMENDING WATER AND WASTEWATER RATES

---

On the 7th day of October, 1993 the Board of Directors of the Nueces County Water Control & Improvement District No. 4, convened in a Special Meeting being open to the public at the regular meeting place thereof in said District, with the following members of the Board present:

<u>President</u>	<u>Bruce Furlow</u>
<u>Vice-President</u>	<u>Russ Miget</u>
<u>Secretary</u>	<u>Charles Brown</u>
<u>Secretary Pro-tem</u>	<u>Ed Reed</u>
<u>Director</u>	<u>George Hawn</u>

The President of the Board presented an order amending the water and wastewater rates. Minutes of the October 7th, 1993 meeting reflect the amended rates. Therefore, the Board of Directors organized a resolution to legally establish the amended rates.

The resolution and order was read in full and, after a full discussion thereof, Ed Reed made a motion that it be adopted. The motion was seconded by Russ Miget. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 5 -  
Nayes: - 0 -

The President then declared the resolution and order finally passed and adopted. The resolution is as follows;

Water and Wastewater rates are amended as listed on the attached Rate Schedule and are effective with the November 1st, 1993 billing.

Passed and approved by the Board of Directors of the Nueces County Water Control & Improvement District No. 4 on the 7th day of October, 1993 .

ATTEST:

C. Bruce Furlow  
C. Bruce Furlow, President

Charles J. Brown  
Charles J. Brown, Secretary

## **RATE SCHEDULE**

---

### **WATER RATES**

<u>Meter Size</u>	<u>Minimum Charge</u>	<u>Meter Size</u>	<u>Minimum Charge</u>
5/8"	\$10.50	2"	\$97.00
3/4"	\$10.50	3"	\$191.80
1"	\$24.30	4"	\$383.70
1&1/2"	\$48.50	6"	\$598.70

**PLUS** \$2.20 for each 1,000 gallons over the minimum of 5,000 gallons.

**CONSTRUCTION RATE** \$3.50 for each 1,000 gallons over the minimum of 5,000 gallons.

**WATER TAPS** 3/4" - \$441.38    1" - \$465.00    1&1/2" and above - \$750.00\*

---

### **WASTEWATER RATES**

**RESIDENTIAL** (one single family unit) Minimum charge - \$10.50

**PLUS** \$1.26 for each 1,000 gallons over the minimum of 5,000 gallons with a maximum charge of \$16.80 for 10,000 gallons.

**ALL OTHERS** Minimum charge - \$17.60

**PLUS** \$1.26 for each 1,000 gallons over the minimum of 5,000 gallons with no maximum charge. Contracted (out of District) rate is \$2.65 per 1,000 gallons.

**LIQUID WASTE DISPOSAL** Annual Permit Fees - \$25.00

**PLUS** \$25.00 per 500 gallons or portion thereof.

**SEWER TAPS** 4" - \$542.27                      6" - \$542.27\*

---

\* Minimum charge. Final charge will be based on actual cost of job and any additional costs will be invoiced to the customer.



**MINUTES OF  
REGULAR MEETING  
AUGUST 18, 1993**

STATE OF TEXAS                   §  
COUNTY OF NUECES           §

On the 18th day of August, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 7:00 p.m. in a Regular Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Director	George Hawn
	Secretary Pro-tem	Ed Reed
Absent:	None	
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn
Visitors:	Attorney Representing	Larry Sullivan
	Woodfin/Watson	

The meeting was called to order at 7:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Miget to approve the minutes of the July 22, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**93 Tax Rate**  
**\$0.09177**

Mrs. Sherrill presented the 1993 Tax Rate Study. After discussion, Mr. Furlow presented a Resolution and Order setting the Ad valorem Tax Rate. A motion was made by Mr. Brown and seconded by Mr. Hawn to adopt the 1993 Ad Valorem Tax Rate at \$0.09177 (same rate as last year). The motion carried unanimously. (A copy of the Resolution and Order is attached and becomes a permanent part of these minutes).

**Attorney**  
**Employment**  
**Contracts**

Mr. Furlow presented the request to renew attorney employment contracts for Mr. Craig Williams, representing Matthews & Branscomb, Mr. James Atwill and also requested an addition of Mr. Charles W. Zahn as legal counsel. After discussion, a motion was made by Mr. Brown and seconded by Mr. Miget to approve the contracts as presented. The vote passed unanimously with Mr. Hawn abstaining.

**Executive**  
**Session**

A motion was duly made and seconded to recess the Regular meeting and reconvene in an executive session, as authorized by Tex. Rev. Civ. Stat. Art. 6252-17§ 2(e) for the discussion of the following business:

- a. Consultation with the Board's Attorney.

The Board recessed the executive session and reconvened the open meeting. There was no action taken on items discussed in the executive session.

**Manager's  
Report**

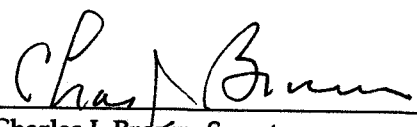
Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary

**NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4**  
**RESOLUTION AND ORDER**  
**SETTING THE 1993 TAX RATE**

On the 18th day of August 1993, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	C. Bruce Furlow
Vice President	Russell Miget
Secretary Pro-tem	Ed Reed
Director	George S. Hawn
Secretary	Charles J. Brown

constituting a quorum, and among other proceedings had, were the following:

The President of the Board presented a resolution and order setting the 1993 tax rate. Minutes of the August 18th, 1993 meeting reflect the tax rate for the year 1993.

The resolution and order was read in full and, after full discussion thereof, Charles Brown made a motion that it be adopted. The motion was seconded by George S. Hawn. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: -5-

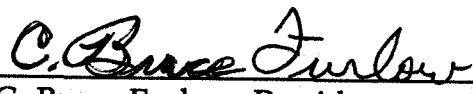
Nayes: -0-

The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

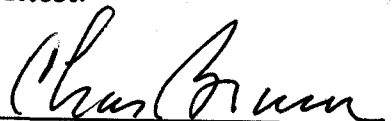
BE IT ORDERED by the Board of Directors of the Nueces County Water Control And Improvement District No. 4:

There is hereby levied on the assessed value of all property, both real and personal, within the boundaries of the Nueces County Water Control and Improvement District No. 4, except such property as may be by law exempt from taxation, a tax rate of \$ 0.09177 per each one hundred dollars assessed valuation for the purpose of meeting the requirements of said District for the fiscal year ending 1994.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 18th day of August, 1993.

  
C. Bruce Furlow, President  
Board of Directors

Attest:

  
Charles J. Brown, Secretary

**MINUTES OF  
SPECIAL MEETING**

**JULY 22, 1993**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 22nd day of July, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
Absent:	Director	George Hawn
	Secretary Pro-tem	Ed Reed
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorney	Charles Zahn
	Superintendent	Rudy Vela
Visitors:	Property Owners:	Ms. Carol Woodfin
		Mr. & Mrs. John Watson

As there was not a quorum present at 5:00 p.m., the meeting was postponed until 6:30 p.m. at which time the meeting was called to order by the presiding officer, Mr. Furlow.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Miget to approve the minutes of the June 21, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Woodfin  
Water  
Request**

Mrs. Carol Woodfin gave a complete history of her property as well as other beach properties regarding water service and asked that the Board respond by making water available to her and others who have been paying taxes since the late 50's.

After discussion, the Board instructed the staff to propose ways to serve the general area within existing policies.

**1977 Series  
Bond  
Redemption**

After reviewing the the early bond redemption study, a motion was made by Mr. Brown and seconded by Mr. Miget to pass a resolution and order providing for the early redemption of the 1977 Series Bonds in their entirety as of February 1, 1994 in an amount totalling \$385,000 in principal; and resolving other matters incident and related to the redemption of these bonds. The motion passed unanimously. (A copy of the resolution and order is attached and becomes a permanent part of these minutes.)

**Personnel  
Policy  
Changes**

Mrs. Sherrill presented a proposed amendment to the Personnel Policy as follows;

Amend sections as shown in **bold** or ~~strikeouts~~:

**Section: EMPLOYMENT CLASSIFICATION**

1. Regular Full time - Work at least forty (40) hours a week.
2. Part-time - Work for a fraction of the normal work week.
3. Temporary Full time - Work for a limited period of time ~~not to exceed six (6) months during any twelve (12) month period.~~
4. Special Service - Work on a contract basis or retainer basis.
5. Probationary - A regular full time employee's classification until he or she has attained ~~three (3) twelve (12)~~ months continuous service.

Section: VACATION LEAVE

No vacation credit shall be ~~granted or~~ paid at termination unless the employee has been employed for a period of time in excess of ~~three (3)~~ thirteen (13) months.

Section: LEAVE

9. Leaves of Absence Without Pay (new subsection)

The District Manager may grant special leaves of absence without pay for regular full-time employees having completed twelve (12) months of continuous employment. Unpaid leaves will be granted in thirty (30) day intervals or at the District Manager's discretion, for not more than ninety (90) days in any twelve (12) month period. A leave of absence is usually granted only in situations where there is a compelling personal reason such as temporary disability due to injury or illness or family emergencies beyond the employee's period of accumulated sick leave and vacation.

Employees will not accrue vacation or sick leave while on leave of absence without pay. Medical and life benefits will continue during the leave of absence. The employee will be responsible for paying the dependent coverage in a timely manner, if applicable. Upon returning to work after the leave of absence without pay, an employee receives an adjusted anniversary date which reflects the period of leave time. The adjusted date will be used for the purpose of calculating vacation and sick leave accrual.

Employee requesting an unpaid leave of absence must provide the District Manager with a written statement from an appropriate third party as to the reason for the leave and the expected length of time needed. Periodic medical certification will be required if applicable. Failure to provide required medical status or other reports may result in the District Manager revoking the leave. An employee requesting, or on, a leave of absence because of medical reasons may be required to submit to examination by a physician of the District's choosing. If the employee is released by the physician to return to any type of work (even if the release includes restrictions) before the ninety (90) day period expires, the employee must notify the District Manager within 24 hours of such release. Any qualified employee with a disability will be reasonably accommodated if such accommodation does not impose an undue hardship on the District.

Employees on unpaid leaves of absence are not guaranteed that a position will be available for them when they are ready to return to work. In the event an employee's previous position is not available, that individual will be offered an equivalent position (in terms of pay, responsibility, etc.) if such a position is available and the employee is qualified. In the event the employee cannot be placed in such an equivalent position, then the employee will be offered a different level position if available and the employee is qualified. If no position is available, or the employee refuses to accept an offered position, the employee will be terminated.

After discussion, a motion was made by Mr. Brown and seconded by Mr. Miget to approve the amendment as presented. The motion carried unanimously.

CIF -  
Amendment

Mrs. Sherrill presented a proposed amendment to the Capital Impact Fee as follows;

WATER & SEWER EXHIBIT A

Amend Section III (B) COMMERCIAL CUSTOMERS in Table #1 as shown below in bold print:

TABLE # 1 - HISTORICAL FLOW DATA

CATEGORY OF USE	FLOW/UNIT (Wtr/Swr)	UNIT
1. Restaurant	33 GPD	1 Customer seat
2. Cocktail lounge	7 GPD	1 Customer seat
3. Store/Shop	55 GPD	1 Water fixture
4. Convenience store with service station	1200 GPD	1 Store
5. Self-service laundry	280 GPD	1 Washing machine
6. Bath house	25 GPD	1 Water fixture
7. Hospital	220 GPD	1 Bed
8. Warehouse	55 GPD	1 Water fixture
9. Service station	1000 GPD	1 Station
10. School	22 GPD	1 Student
10. Classroom (Church or School)	22/20 GPD	1 Student
11. Office building	22 GPD	150 Square feet
12. Car wash	1100 GPD	1 Stall

13.	Movie theater	10 GPD	1	Seat
14.	Recreational vehicle park	100 GPD	1	Space
15.	Motel/Hotel	385 GPD	1	Unit (without kitchen)
16.	Boat docks	68 GPD	1	Slip
17.	Church Sanctuary	55/50 GPD	1	Fixture
18.	Other - To be determined by the Manager from historical data.			

Amend Section V. CALCULATE THE CAPITAL IMPACT INDEX as shown below in strikeouts:

The capital impact index represents the District's cost per gallon to build ground storage, elevated storage and transmission facilities. The Manager may require that industrial customers build their own ground storage facilities. In the event the District does require the customer to provide their own ground storage, the customer's capital impact fee will reflect only the construction cost of the transmission facilities. ~~Harbor Island customers will be required to pay an additional transmission fee equal to \$0.10 per gallon of daily demand.~~

A. CUSTOMERS NOT PROVIDED GROUND STORAGE:

Capital impact index = \$ .749 ( $\$.16 + .414 = \$.749$ )

B. CUSTOMERS PROVIDING GROUND STORAGE:

Capital impact index = \$ .414

C. CUSTOMERS NOT PROVIDING GROUND STORAGE (HARBOR ISLAND):

Capital impact index = \$ .849 ( $\$.16 + .175 + .414 + .10 = \$.849$ )

D. CUSTOMERS PROVIDING GROUND STORAGE (HARBOR ISLAND):

Capital impact index = \$ .514 ( $\$.414 + .10 = \$.514$ )

A motion was made by Mr. Miget and seconded by Mr. Brown to approve the amendment as presented. The motion carried unanimously.

**TML Group  
Interlocal  
Agreement**

Mrs. Sherrill presented the revised Interlocal Agreement from the Texas Municipal Group Benefits Risk Pool for review. After discussion, a motion was made by Mr. Brown and seconded by Mr. Miget to approve the Agreement as revised and authorize Mrs. Sherrill to execute the Agreement. The motion carried unanimously. (The revised agreement is on file in the District office)

**Financial  
Report**

Mrs. Sherrill presented the financial statements for the General Operating, Capital Impact and Debt Service Funds for April, May and June, 1993. A motion was made to approve the statements by Mr. Brown and seconded by Mr. Miget. The motion carried unanimously.

**Engineer's  
Report**


Mr. Urban gave a report on District related business. (A copy of this report is on file in the District office)

**Manager's  
Report**


Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles J. Brown, Secretary

**MINUTES OF  
SPECIAL MEETING**

**JUNE 21 , 1993**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 21st day of June, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Auditor	Gary Davenport
	Attorneys	Robert Nichols
		Charles Zahn

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Reed to approve the minutes of the May 17th, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Early  
Bond  
Redemption**

Mr. Davenport reviewed information on the possible early redemption of the 1977 or 1978 Bond Series. After discussion, a motion was made by Mr. Brown and seconded by Mr. Reed authorizing Mrs. Sherrill to proceed with the early redemption of the 1978 Series Bond Numbers 87-162 (\$380,000), if permitted or the 1977 Bond Series in its entirety (\$385,000). The motion carried unanimously.

**Industrial  
Water  
Contracts**

Mrs. Sherrill requested to be authorized to execute the renewal of the 1993-94 water contracts for Brown & Root Offshore Services, Harbor Island Terminal and M-I Drilling Fluids Company if there are no changes. A motion was made by Mr. Miget and seconded by Mr. Reed to approve the authorization. The motion carried unanimously.

**Executive  
Session**

A motion was duly made and seconded to recess the special meeting and reconvene in an executive session, as authorized by Tex. Rev. Civ. Stat. Art. 6252-17 § 2(e)&(g) for the discussion of the following business:

- a. Consultation with the Board's Attorneys.
- b. Evaluation of personnel.

The Board recessed the executive session and reconvened the open meeting. There was no action taken on items discussed in the executive session.

Special Meeting

June 21, 1993

Page 2

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Charles Brown  
Charles Brown, Secretary



**MINUTES OF  
REGULAR MEETING**

**MAY 17 , 1993**

**STATE OF TEXAS                   §**

**COUNTY OF NUECES           §**

On the 17th day of May, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorneys	Craig Williams
		Charles Zahn
	Superintendent	Rudy Vela
Visitors:	Urban Engineer	Patrick McCauley

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Brown to approve the minutes of the February 18th, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Tank**

**Maintenance  
Contract**

Mr. Urban discussed the importance of continuing a scheduled tank maintenance on a yearly contractual basis. A motion was made by Mr. Brown and seconded by Mr. Reed for Urban Engineering to proceed with the requirements for bidding the tank maintenance on a yearly schedule. The motion carried unanimously.

**Executive  
Session**

A motion was duly made and seconded to recess the special meeting and reconvene in an executive session, as authorized by Tex. Rev. Civ. Stat. Art. 6252-17 § 2(e)&(g) for the discussion of the following business:

- a. Consultation with the Board's Attorneys.
- b. Evaluation of personnel.

**Response letter**

**TWC/9209235**

After the Board recessed the executive session and reconvened the open meeting, a motion was made by Mr. Reed and seconded by Mr. Brown to authorize the attorneys for the District to request a determination from the staff of the Texas Water Commission on the response by the District to Investigation # 9209234. The motion carried unanimously.

**Personnel**  
**Evaluation**

No action taken.

**Bird**  
**Sanctuary**

Patrick McCauley, Urban Engineering, representing the City of Port Aransas, requested that the District permit the City of Port Aransas to lease property described as the NW portion of Lot 5 and all of Lot 6, Block 148, State Land Survey, Mustang Island for a Bird Sanctuary. After discussion, a motion was made by Mr. Brown and seconded by Mr. Reed to approve the request from the City of Port Aransas to lease the subject property for a Bird Sanctuary subject to the approval from the Texas Water Commission regarding NPDES Permit TX24287. The motion carried unanimously.

**Financial**  
**Report**

Mrs. Sherrill presented the financial statements for the General Operating, Capital Recovery and Tax Funds for November, December, January, February, and March. A motion was made by Mr. Reed and seconded by Mr. Brown to approve the statements as presented. The motion carried unanimously.

**Engineer's**  
**Report**

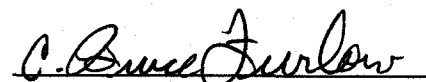
Mr. Urban gave a progress report of ongoing District related business. (A copy of the report is on file in the district office)

**Manager's**  
**Report**


Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles Brown, Secretary

**MINUTES OF  
SPECIAL MEETING**

**FEBRUARY 18 , 1993**

**STATE OF TEXAS                   §**

**COUNTY OF NUECES           §**

On the 18th day of February, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Ed Reed
Director	George Hawn

Absent:           None

Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Engineer	Jim Urban
	Attorneys	Craig Williams
		Charles Zahn
	Superintendent	Rudy Vela
	Auditor	Gary Davenport

Visitors:                   Carl Badalich  
Roy Graham  
Ole Graham

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Brown to approve the minutes of the February 4th, 1993 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Badalich  
Presentation**

Mr. Carl Badalich made a presentation to the Board concerning water service to his property on Mustang Island.

**Executive  
Session**

A motion was duly made and seconded to recess the special meeting and reconvene in an executive session, as authorized by Tex. Rev. Civ. Stat. Art. 6252-17 § 2(e) for the following purpose:

a.           Consultation with the Board's Attorneys.

**Response letter  
TWC/9209235**

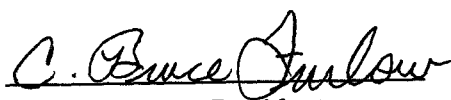
After the Board recessed the executive session and reconvened the open meeting, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the correspondence drafted by Mr. Zahn and Mr. Williams as the response to the Texas Water Commission Investigation No. 9209235 and authorized the President of the Board to submit said response to the Commission.

**Nueces County  
Coastal  
Management  
Plan**


Mr. Urban, District's representative to the Intergovernmental Cooperation Task Force for the Nueces County Coastal Management Plan, asked the District to work jointly with the City of Port Aransas on the development of the Coastal Management Plan. After discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to authorize the District Manager to work with the City of Port Aransas to develop this plan. The motion carried unanimously.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles Brown, Secretary

**MINUTES OF**  
**REGULAR MEETING**  
**FEBRUARY 4 , 1993**

STATE OF TEXAS                   §

COUNTY OF NUECES               §

On the 4th day of February, 1993, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Regular Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
	Attorney	Jim Atwill
	Auditor	Gary Davenport
Visitor:	American Bank-South	Ginger Hulbirt

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to notice posted.

**Minutes**

A motion was made by Mr. Brown and seconded by Mr. Reed to approve the minutes of the December 14, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Audit Report**

Mr. Davenport presented the 1991-92 Audit. After discussion, Mr. Reed made a motion to accept the audit with correction as presented. Mr. Brown seconded the motion. The motion carried unanimously.

**Depository**

Bids were received and opened for review on January 28, 1993, as advertised for the 1993/95 Depository. American Bank was the only bank to place a bid. The bank offered two choices;

1. Interest earned at a 4% fixed rate.
2. Interest earned on the 30 day yield rate of US Treasury Bills + 75 basis points.


After much discussion, a motion was made by Mr. Brown and seconded by Mr. Reed to accept the fixed rate bid of 4%. The motion carried unanimously.

**Manager's Report**

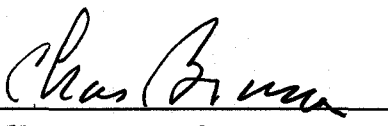
Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

  
C. Bruce Furlow, President

ATTEST:

  
Charles Brown, Secretary

**MINUTES OF  
SPECIAL MEETING  
DECEMBER 14, 1992**

STATE OF TEXAS           §  
COUNTY OF NUECES       §

On the 14th day of December 1992, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 p.m. in a Special Meeting held at the District Office, 315 S. 9th Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Bruce Furlow
Vice President	Russ Miget
Secretary	Charles Brown
Secretary Pro-tem	Ed Reed
Director	George Hawn

Absent:           None

Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
	Attorney	Craig Williams

The meeting was called to order at 5:00 p.m. by the presiding officer, Mr. Furlow, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Reed to approve the minutes of the November 20, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**EPA  
MWPP  
Audit**

Mrs. Sherrill presented the Municipal Water Pollution Prevention Environmental Audit Report as requested by the "Order for Information" from EPA. After review, a motion was made by Mr. Hawn to pass a resolution to;

1. Review Municipal Water Pollution Prevention Environmental Audit Report which is attached to this resolution.
2. Set forth the following actions necessary to maintain the permit requirements in the National Pollutant Discharge Elimination System Permit No. TX0024287:
  - a. Continue operation and maintenance of the existing Wastewater Treatment Plant.

The motion was seconded by Mr. Brown and carried unanimously. (The resolution is attached and becomes a permanent part of these minutes. The Audit Report is on file in the District office)

**Depository  
1992/95**

A motion was made by Mr. Miget and seconded by Mr. Reed to authorize the staff to advertise for bids for 1993/95 Depository. The motion carried unanimously.

**Financial  
Report**

Mrs. Sherrill presented the financial statements for the General Operating, Capital Recovery and Tax Funds for October. After discussion, a motion was made by Mr. Reed and seconded by Mr. Hawn to approve the financial statements as presented.

**Engineer's  
Report**

Mr. Urban gave a progress report of ongoing contracts and other District related business. (A copy of this report is on file in the district office)

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

Nueces County Water Control  
& Improvement District No. 4

C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Charles Brown  
Charles Brown, Secretary



**MUNICIPAL WATER POLLUTION PREVENTION  
ENVIRONMENTAL AUDIT REPORT  
RESOLUTION**

---

A RESOLUTION to inform Environmental Protection Agency, Region 6, that the following actions were taken by the Board of Directors of the Nueces County Water Control and Improvement District No. 4.

WHEREAS, Nueces County Water Control & Improvement District No. 4 has received an Information Order from the United States Environmental Protection Agency as authorized by the Clean Water Act, Section 308 (a) (A): and

WHEREAS, said order requires Nueces County Water Control & Improvement District No. 4 conduct an environmental audit in compliance with a program to promote Municipal Water Pollution Prevention (MWPP); and

WHEREAS, Environmental Protection Agency requires the governing body to review the audit prior to submittal.

NOW THEREFORE BE IT RESOLVED, by Nueces County Water Control & Improvement District No. 4, that Environmental Protection Agency, Region 6 be informed that the following actions were taken by the Board of Directors:

1. Reviewed Municipal Water Pollution Prevention Environmental Audit Report which is attached to this resolution.
2. Set forth the following actions necessary to maintain the permit requirements in the National Pollutant Discharge Elimination System Permit No. TX0024287.
  - a. Continue operation and maintenance of the existing Wastewater Treatment Plant.

PASSED AND APPROVED ON THIS THE 14th DAY OF DECEMBER, 1992.

NUECES COUNTY WATER CONTROL  
& IMPROVEMENT DISTRICT NO. 4

By C. Bruce Furlow  
C. Bruce Furlow, President

ATTEST:

Charles Brown  
Charles Brown, Secretary

**NOVEMBER 20, 1992**

**3**

**§**

**Minutes** A motion was made by Mr. Miget and seconded by Mr. Brown to approve the minutes of the September 29, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)


**District  
Overview**

Mr. Edmonson presented his overview "Forty Years of Control & Improvement" to the Board of Directors, past and present, staff and special guest. This was followed by a brief review of its contents. (This document will be on file at the district's office as a permanent record of the District.)


**Manager's  
Report**

On behalf of the employees receiving service awards, Mrs. Sherrill thanked the Board of Directors, past and present, for the years of service spent with each one of them and wishes to continue the longevity of both employees and directors.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles Brown, Secretary

**MINUTES OF**  
**SPECIAL MEETING**  
**SEPTEMBER 29, 1992**

STATE OF TEXAS

§

COUNTY OF NUECES

§

On the 29th day of September 1992, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Special Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary Pro-tem	Ed Reed
Absent:	Secretary	Charles Brown
	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela

The meeting was called to order at 5:00 P. M. by the presiding officer, Mr. Furlow, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Miget to approve the minutes of the August 24, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**92/93 Budget and the Financial Report**

Mrs. Sherrill presented the financial statements for the General Operating and Capital Recovery Fund for August and Tax Fund for July and August. The 1992/93 budget was also presented. After discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the financial statements and the 1992/93 budget as presented. (A copy of the budget is attached and becomes a permanent part of these minutes.)


**Engineer's Report**

Mr. Urban reported on progress of the on-going contracts. (A copy of this report is on file in the District's office.)


**Manager's Report**

Mrs. Sherrill gave a progress report on routine business. (A copy of this report is on file in the District's office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Ed Reed, Secretary Pro-tem

ACCOUNT TITLE	1991/92 Projected Year End	1991/92 BUDGET	Percent Budget to YE	Projected 92/93 Budget
<b>Revenues:</b>				
Water Service	966,552	1,004,618	-4%	1,020,873
Sewer Service	416,674	415,800	0%	428,767
Water Tap	5,819	3,500	66%	6,000
Sewer Tap	3,914	3,500	12%	4,000
Inspections	275	0		275
Reconnects	7,280	5,500	32%	7,280
Other Service	1,170	0		1,170
MI Drilling	21,639	23,909	-9%	19,163
Brown & Root	36,730	41,341	-11%	23,223
Harbor Island	41,473	51,108	-19%	38,325
Bldg Permits	0	0		0
Interest	8,993	14,000	-36%	8,993
Sale of Material	118	0		0
Sale of GFA	0	0		0
Cash	6	0		0
Other	1,692	0		0
Activity Fund	432	0		0
<b>Total</b>	<b>1,512,766</b>	<b>1,563,276</b>	<b>-3%</b>	<b>1,558,068</b>
<b>Expenditures:</b>				
Total Water	324,138	365,500	-11%	376,054
<b>Personnel Cost:</b>				
Salaries	357,710	360,202	-1%	382,800
Retirement	25,584	26,043	-2%	27,700
Insurance	32,998	35,000	-6%	41,100
FICA	27,366	27,555	-1%	29,300
Workers Comp	17,813	25,844	-31%	23,500
Uniforms	4,190	4,000	5%	4,300
TEC	2,239	1,500	49%	2,100
<b>Total</b>	<b>467,899</b>	<b>480,144</b>	<b>-3%</b>	<b>510,800</b>

ACCOUNT TITLE	1991/92	1991/92	Precent	Projected
	Projected	BUDGET	Budget	92/93
	Year End		to YE	Budget
<b>Professional Cost:</b>				
Legal	5,931	10,000	-41%	10,000
Engineering	16,306	20,000	-18%	20,000
Auditing	8,500	10,000	-15%	8,500
Consultant	630	0		0
				0
<b>Total</b>	<b>31,367</b>	<b>40,000</b>	<b>-22%</b>	<b>38,500</b>
<b>Repair &amp; Maint Cost:</b>				
System	54,283	50,500	7%	50,500
Equipment	41,207	32,000	29%	32,000
Trucks	6,437	9,000	-28%	9,000
Meters	3,004	1,000	200%	6,000
Buildings & Grounds	14,571	13,000	12%	13,000
Small Tools	3,030	3,500	-13%	3,500
Lawn Maintenance	14,400	14,400	0%	13,500
<b>Total</b>	<b>136,931</b>	<b>123,400</b>	<b>11%</b>	<b>127,500</b>
<b>Recurring Operations Cost</b>				
Insurance	23,160	29,000	-20%	25,475
Notices & Recordings	275	500	-45%	500
Elections	582	1,000	-42%	0
Cleaning Services	3,537	3,500	1%	3,800
WWTP Lab Supplies	2,066	2,200	-6%	2,200
Water Samples	516	500	3%	2,200
Fuel	8,245	9,800	-16%	8,500
Chemicals	19,849	13,500	47%	17,771
Electricity*	131,545	115,000	14%	122,724
Telephone	4,559	6,000	-24%	4,500
Sanitation	2,476	2,175	14%	2,700
Gas	100	340	-71%	340
Milage	529	900	-41%	900
Schools & Seminars	2,191	2,500	-12%	2,500
TWC Assessment	6,254	7,000	-11%	6,887
Permits	5,484	3,000	83%	6,500
Land-Lease Payments	968	1,000	-3%	1,000
Other Expenses	5,729	5,535	4%	5,535

ACCOUNT TITLE	1991/92	1991/92	Percent	Projected
	Projected	BUDGET	Budget	92/93
	Year End		to YE	Budget
Dues & Publications	1,332	1,200	11%	1,332
Office Supplies	4,148	4,500	-8%	4,500
Postage	5,003	5,000	0%	5,000
<b>Total</b>	<b>228,548</b>	<b>214,150</b>	<b>7%</b>	<b>224,864</b>
<b>Capital Outlay Cost:</b>				
Wtr/Swr Taps	4,965	7,000	-29%	5,000
Vehicle	10,457	11,500	-9%	17,000
Aransas Pass lower 12" WL	4,800			
Major Equip/replace 2 pumps	4,534	6,000	-24%	6,600
Mid Island Pump Building				3,500
Port St Fence & paving				9,190
Maint Ofc-Shower/Bathroom	8,143	8,000	2%	2,000
<b>Total</b>	<b>32,898</b>	<b>32,500</b>	<b>1%</b>	<b>43,290</b>
<b>Subtotal Exp</b>	<b>1,221,782</b>	<b>1,255,694</b>	<b>-3%</b>	<b>1,321,008</b>
<b>Capital Projects</b>				
<b>Transfer:</b>	<b>290,984</b>	<b>307,582</b>	<b>-5%</b>	<b>237,060</b>
<b>Total Exp</b>	<b>1,512,766</b>	<b>1,563,276</b>	<b>-3%</b>	<b>1,558,068</b>
Over/Under	0	0		0
<b>Fund Balance</b>	<b>250,000</b>	<b>250,000</b>	<b>0%</b>	<b>250,000</b>

# CAPITAL PROJECTS FUND

## PROJECTED YE & PROPOSED 92/93 BUDGET

<b>REVENUES:</b>		<i>Projected YE</i>		
Fund Balance/Beginning of Year		\$481,523		
Transfer from General Fund		\$290,984		
Interest		\$10,350		
Total Revenues		\$782,857		
<b>EXPENDITURES:</b>		<i>Project Cost</i>	<i>Projected YE</i>	<i>CIF Portion</i>
Tank Maintenance		\$50,450	\$54,306	
Beasley & Port St. Pump Stations		\$365,858	\$150,606	\$182,929
'92 Water & Sewer Improvements:				
Mercer, Oaks & White		\$61,940	\$42,728	\$19,212
Shibui Sands (inc. future taps)		\$114,628	\$58,493	\$56,135
Lighthouse / Church & Beach St.		\$155,410	\$101,263	\$54,148
Hwy 361 (Loop Rd)		\$528,841	\$303,192	\$225,649
Total Expenditures		\$1,277,127	\$710,588	\$538,072
<b>TOTAL AVAILABLE FOR 92/93 FUND YEAR</b>			\$72,269	
Transfer from General Fund			\$237,060	
Interest			\$5,000	
<b>EXPENDITURES:</b>				
Tank Maintenance			\$50,000	
Contr-33,750, Paint-6,250, Tower cables-10,000				
<b>FUND BALANCE - END OF YEAR</b>			\$264,329	



**MINUTES OF  
REGULAR MEETING**

**AUGUST 24, 1992**

**STATE OF TEXAS**

§

**COUNTY OF NUECES**

§

On the 24th day of August 1992, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Regular Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
	Director	George Hawn
Absent:	None	
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
Visitor:	PAISD Representative	Jim Moss

The meeting was called to order at 5:00 P. M. by the presiding officer, Mr. Furlow, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Reed to approve the minutes of the June 24, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting)

**PAISD  
Vocational  
Training**

Mr. Moss, representing the school district, made a request for the District to consider becoming involved in the Vocational Training Program developed by the Port Aransas Independent School District. After a general discussion, Mr. Hawn made a motion which was seconded by Mr. Miget to participate in the program, contracting one student for 15 hours per week at minimum wage to be reviewed each year. The motion carried unanimously.

**Attorney  
Employment  
Contracts**

Mr. Furlow informed the Board of the letter received from Mr. Ed Prichard notifying the District of his retirement from his law practice. After discussion, Mr. Furlow presented a contract from Matthews & Branscomb, executed by Mr. Craig Williams for legal counsel and a request from Mr. Jim Atwill for renewal of his employment contract. After further discussion, a motion was made by Mr. Reed and seconded by Mr. Miget to approve the contracts as presented. The vote passed unanimously with Mr. Hawn abstaining.

**1992  
Tax Rate  
\$0.09177**

Mrs. Sherrill presented the 1992 Tax Rate Study. After discussion, Mr. Hawn made a motion to accept the effective tax rate of \$0.09177. Mr. Reed seconded the motion. The motion carried unanimously. (A copy of the Resolution and Order is attached and becomes a permanent part of these minutes).

**Financial  
Report**

Mrs. Sherrill presented the financial statements for the General Operating and the Capital Impact Fund for May, June and July, 1992 and statements for the Debt Service Fund for April, May and June, 1992. A motion was made by Mr. Reed and seconded by Mr. Brown to accept the statements as presented. The motion carried unanimously.

**Engineer's  
Report**

Mr Urban reported on progress of the on-going contracts. (A copy of this report is on file in the District's office.)

**Manager's  
Report**

Mrs. Sherrill gave a progress report on routine business of the District. (A copy of this report is on file in the District's office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.



C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
\_\_\_\_\_  
Charles J. Brown, Secretary

NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

RESOLUTION AND ORDER  
SETTING THE 1992 TAX RATE

On the 24th day of August 1992, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	C. Bruce Furlow
Vice President	Russell Miget
Secretary	Charles Brown
Secretary Pro-tem	Ed Reed
Director	George S. Hawn

constituting a quorum, and among other proceedings had, were the following;

The President of the Board presented a resolution and order setting the 1992 tax rate. Minutes of the August 24th, 1992 meeting reflect the tax rate for the year 1992.

The resolution and order was read in full and, after full discussion thereof, George S. Hawn made a motion that it be adopted. The motion was seconded by Ed Reed. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 5 -

Nayes: - 0 -

The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

BE IT ORDERED by the Board of Directors of the Nueces County Water Control And Improvement District No. 4:

There is hereby levied on the assessed value of all property, both real and personal, within the boundaries of the Nueces County Water Control and Improvement District No. 4, except such property as may be by law exempt from taxation, a tax rate of \$0.09177 per each one hundred dollars assessed valuation for the purpose of meeting the requirements of said District for the fiscal year ending 1993.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 24th day of August, 1992.

C. Bruce Furlow  
C. Bruce Furlow, President  
Board of Directors

Attest:

Charles J. Brown  
Charles J. Brown, Secretary

**MINUTES OF  
SPECIAL MEETING**

**JUNE 24, 1992**

**STATE OF TEXAS** §

**COUNTY OF NUECES** §

On the 24th day of June 1992, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Special Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary	Charles Brown
	Secretary Pro-tem	Ed Reed
Absent:	Director	George Hawn
Staff:	Manager	Nona Sherrill
	Engineer	Mark Maroney
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela

The meeting was called to order at 5:00 P. M. by the presiding officer, Mr. Furlow, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Reed and seconded by Mr. Brown to approve the minutes of the May 26, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting)

**State Hwy**

**361 (Loop Rd)**

Mr. Maroney reviewed the following construction bids received on June 23, 1992, for the adjustments of water & sewer lines in State Highway 361 right-of-way:

King Isles Construction	\$489,667.50
Garrett & Associates	\$590,251.25
Bay, Inc.	\$527,915.50
Heldenfels Bros.	\$607,631.00

Mr. Maroney recommended awarding King Isles Construction the contract as low bidder. A motion was made by Mr. Reed and seconded by Mr. Furlow to award the contract as recommended. The motion carried unanimously.

**Shibui Sands/  
Lighthouse**

**Improvements**

Mr. Maroney presented change order #1 for the Water and Sewer Improvement contract with Island Construction Co. for the addition of Beach and Church Street sewer improvements at a cost of \$29,537. A motion was made by Mr. Reed and seconded by Mr. Brown to approve the change order as presented. The motion carried unanimously.

**Coastal Mgmt**

**Plan/Task**

**Force Rep**

Mr. Furlow reviewed a letter from County Commissioner Carol Karter asking the District to appoint a representative for the Intergovernmental Cooperation Task Force which will be an advisor to the Commissioners' Court for adoption of the Nueces County Coastal Management Plan. After discussion, a motion was made by Mr. Brown and seconded by Mr. Reed to appoint Jim Urban as the District's representative. The motion carried unanimously.

**Financial  
Report**

Mrs. Sherrill presented the General Operating and Capital Impact Fund financial statements for April, 1992. A motion was made by Mr. Reed and seconded by Mr. Brown to accept the reports as presented. The motion carried unanimously.

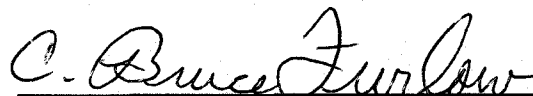
**Engineer's  
Report**

No Engineer's report was given.

**Manager's  
Report**

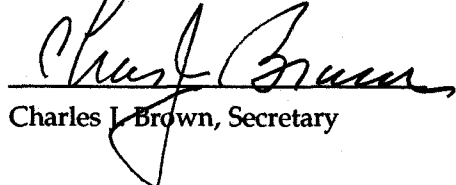
Mrs. Sherrill gave a progress report on routine business. (A copy of this report is on file in the District's office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.



C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

**MINUTES OF  
SPECIAL MEETING**

**MAY 26, 1992**

**STATE OF TEXAS** §

**COUNTY OF NUECES** §

On the 26th day of May 1992, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Special Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Bruce Furlow
	Vice President	Russ Miget
	Secretary Pro-tem	Ed Reed
	Director	George Hawn
Absent:	Secretary	Charles Brown
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela

The meeting was called to order at 5:00 P. M. by the presiding officer, Mr. Furlow, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Furlow and seconded by Mr. Reed to approve the minutes of the May 5, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting)

**Shibui  
Sands/  
Seabreeze  
Lane  
Impvts**

Mr. Urban reviewed the bids received on May 18, 1992, for the Shibui Sands Water and Seabreeze Water and Sewer Improvements in conjunction with the City of Port Aransas Street Improvement Program bids for 1992. The total bids were as follows;

Island Construction	\$531,195.00
King-Isles, Inc.	\$555,714.50
Heldenfels Bros.	\$852,915.00

Mr. Urban recommended Island Construction be awarded the contract as low bidder. A motion was made by Mr. Hawn and seconded by Mr. Reed to award the contract as recommended. The motion carried unanimously.

**State Hwy  
361  
(Loop Rd)**

Mr. Urban reviewed the State Highway Department's request to adjust water and sewer lines along State Highway 361 at an estimated cost of \$398,840.00 plus engineering. A motion was made by Mr. Reed and seconded by Mr. Miget to proceed with the bid process as soon as possible as requested. The motion carried unanimously.

**Financial  
Report/  
CIF Policy  
/Cap Prjct  
Amendment**

Mrs. Sherrill presented the financial statements for January, February and March and six month budget variance reports. Also, Mr. Urban presented a proposed policy to allocate a prorata share of the total construction cost of facilities for increased capacity to the Capital Impact Fund. After discussion, Mrs. Sherrill presented a proposed budget amendment to the Capital Projects Fund. After extensive discussion, a motion was made by Mr. Reed and seconded by Mr. Hawn to accept the CIF policy. The

motion carried unanimously. A motion was made by Mr. Reed and seconded by Mr. Miget to approve the financial reports and the budget amendment to the Capital Projects Fund as requested. The motion carried unanimously. (A copy of the budget amendment to the Capital Projects Fund and the CIF policy is attached and becomes a permanent part of these minutes)

**Engineer's  
Report**

Mr. Urban gave a progress report on District related business ( A copy of this report is on file in the District's office)

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

C. Bruce Furlow

C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

Charles J. Brown  
Charles J. Brown, Secretary

Memo:

April 27, 1992

From: J. Urban, District Engineer

File: Capital Impact Fee

Subject: Allocation of Capital Impact Fund

It is the District's intent to allocate a prorata share of the total construction cost of facilities to the Capital Impact Fund based on the following criteria;

**Water & Sewer Pumping**

When water or sewer pumping facilities are constructed or reconstructed, a percentage of the total cost of construction equal to the increase in capacity can be charged to their respective Capital Impact Fund.

**Clay Lines**

When existing clay collection lines are being replaced to reduce infiltration, the percentage of increased capacity can be assessed to the Sewer Capital Impact Fund.

**Water & Sewer Lines**

When existing water or sewer lines are replaced with a larger size line, a percentage of the total cost of construction equal to the increased capacity can be charged to their respective Capital Impact fund.

New water and sewer lines constructed within the system can be charged 100% out of the Capital Impact Fund.



## CAPITAL PROJECTS FUND

### PROJECTED YE / PROPOSED BUDGET AMENDMENT

	1991/92 Budget	Projected YE Amendment
Fund Balance/Beginning of Year	\$187,720	<b>\$481,623</b>
Transfer from General Funds	\$307,582	\$307,582
Interest		\$5,000
Total Available	\$495,302	\$794,205
Projects:		
Tank Maintenance	\$50,000	\$50,450
Beasley/Port Pump Stations Projected Final - \$329,036 **	\$194,000	<b>\$164,518</b>
'92 Water & Sewer Improvements:		
Mercer, Oaks & White Projected Final - \$61,940 **	\$60,000	<b>\$42,728</b>
Shibui Sands Projected Final - \$108,732 **	\$35,200	<b>\$54,366</b>
Lighthouse (Seabreeze) Projected Final - \$127,635 **	\$110,000	<b>\$81,820</b>
Hwy 361 (Loop Rd) Estimated Cost \$429,235 **		<b>\$258,600</b>
Total Expenditures	\$449,200	<b>\$652,482</b>
Projected Fund Balance/Year End	\$46,102	\$141,723

#### Notes:

Fund Balance/Beginning of Year includes Capital Improvement Fund's prorata share of projects completed from 1987 thru 1990.

\*\* Portion of these projects will be paid from Capital Improvement Fund

## SUMMARY OF CAPITAL PROJECTS FUND

### REVENUES:

	Projected YE
Fund Balance/Beginning of Year	\$481,623
Transfer from General Fund	\$307,582
Interest	\$5,000
Total Revenues	\$794,205

### EXPENDITURES:

	Project Cost	Projected YE	CIF Portion
Tank Maintenance	\$50,450	\$50,450	
Beasley & Port St. Pump Stations	\$329,036	\$164,518	\$164,518
'92 Water & Sewer Improvements:			
Mercer, Oaks & White	\$61,940	\$42,728	\$19,212
Shibui Sands	\$108,732	\$54,366	\$54,366
Lighthouse (Seabreeze)	\$127,635	\$81,820	\$45,815
Hwy 361 (Loop Rd)	\$429,235	\$258,600	\$170,635
Total Expenditures	\$1,107,028	\$652,482	\$454,546

### FUND BALANCE

\$141,723

**MAY 5, 1992**

202

202

<b>President</b>	<b>Jim Edmonson</b>
<b>Vice President</b>	<b>George Hawn</b>
<b>Secretary</b>	<b>Charles Brown</b>
<b>Director</b>	<b>Al Mora</b>
<b>Director</b>	<b>Ed Reed</b>

Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela

The nominations were closed by unanimous vote and the ballot was cast for the slate of officers by acclamation. The slate of officers is declared elected to their office.

**Minutes**

A motion was made by Mr. Furlow, as the newly elected presiding officer, and seconded by Mr. Reed to approve the minutes of the February 4, 1992 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting)

**Water  
Contract**

Mrs. Sherrill reviewed Brown & Root Braun's request, dated March 25, 1992, to amend their daily water allotment from 50,000 gallons per day to 25,000 gallons per day. They agreed to pay an amount representing the District's cost in purchasing water for a period of twelve months from the time of notification of reduction, to comply with our contract but requested monthly payments. A motion was made by Mr. Reed to approve Brown & Root Braun's request to reduce their water allotment pursuant to the terms of the contract with the exception of monthly payments instead of a lump sum payment upon notification of reduction. The motion was seconded by Mr. Hawn. The motion carried unanimously.

**Financial  
Report**

Financial report was postponed until the next scheduled meeting.


**Engineer's  
Report**

Mr. Urban gave a progress report on District related business. (A copy of this report is on file in the District's office.)

**Manager's  
Report**

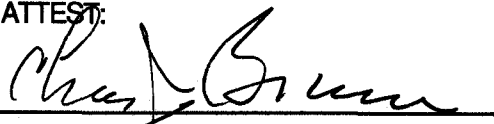
Mrs. Sherrill gave a progress report on routine business. (A copy of this report is on file in the District's office.)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.



C. Bruce Furlow, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

# Certificate of Election

IN THE NAME AND BY THE AUTHORITY OF

Nueces County Water Control and Improvement District No. 4,

Nueces County, Texas

THIS IS TO CERTIFY, That at a general election held on

May 5th, 1992 and the following

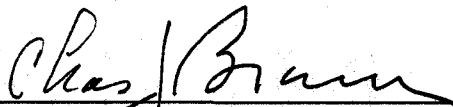
Directors were duly elected

C. Bruce Furlow

Russell J. Miget

Ed Reed

In testimony whereof, I have hereunto signed my name and caused the Seal of  
Nueces County Water Control and Improvement District No. 4, Texas  
to be affixed, this the 5th day of May, 1992.

  
\_\_\_\_\_  
Charles J. Brown, Secretary



**STATE OF TEXAS**                                 **\$**

**COUNTY OF NUECES**                                 **\$**

	<b>President</b>	<b>Jim Edmonson</b>
	<b>Vice President</b>	<b>George Hawn</b>
	<b>Secretary</b>	<b>Charles Brown</b>
	<b>Director</b>	<b>Al Mora</b>
	<b>Director</b>	<b>Ed Reed</b>
<b>Staff:</b>	<b>Manager</b>	<b>Nona Sherrill</b>
	<b>Engineer</b>	<b>Jim Urban</b>
	<b>Executive Secretary</b>	<b>Mary Moss</b>
	<b>Superintendent</b>	<b>Rudy Vela</b>
	<b>Auditor</b>	<b>Gary Davenport</b>
	<b>Attorney</b>	<b>C. Edwin Prichard, Jr.</b>
	<b>WWTP Operator</b>	<b>Lewis Wilcox</b>
<b>Visitors:</b>	<b>Mayor, City of Port Aransas</b>	<b>J. C. Barr</b>
	<b>Interested Citizen</b>	<b>Russ Miget</b>
	<b>Interested Citizen</b>	<b>Bruce Furlow</b>
	<b>Interested Citizen</b>	<b>Johnny Roberts</b>
	<b>Flato Interest:</b>	<b>Edwin Flato</b>
		<b>John Wright</b>
		<b>Paula Williamson</b>
		<b>James J. Wright</b>

**Flato** Mr. Edmonson introduced Mr. Flato and his representatives. Then he  
**Utility** reviewed Flato's "Original Utility Service Agreement" dated August 23, 1990, in which  
**Service** the Board agreed, in principle, to the wording of the agreement. On December 31, 1991,  
**Agreement** the District received a completely rewritten revised agreement for approval. The  
District's attorney, Mr. Prichard was asked to compare the new documents with the  
"Original" and present his findings at this meeting.

Mr. Prichard reviewed the changes and explained his concerns and his recommendations. Mr. Wright, representative for Flato Interest, addressed the Board with his points of concern. After lengthy discussion, Mr. Hawn made a motion to accept Mr. Prichard's recommendations outlined in the attached letter dated February 4, 1992. The motion was seconded by Mr. Mora and passed unanimously with Mr. Reed abstaining from the vote. (Copies of Prichard's letter, dated February 4, 1992, Wright's letter, dated January 28, 1992, and the Original Utility Service Agreement with Declaration of Protective Covenants, dated August 23, 1990, are attached and becomes a permanent part of these minutes)

**1990/91**

**Audit**

Mr. Davenport presented the Audit and complimented the District for its outstanding staff and the efficient manner in which they assisted with the Audit. A motion was made by Mr. Reed to accept the Audit as presented. The motion was seconded by Mr. Hawn. The motion carried unanimously.

**Bond Series**

**'59 & '61**

**Redemption**

Mrs. Sherrill requested authorization to attempt early redemption of the Combination Tax And Revenue Bond Series 1959 & 1961 due to investment problems on the reserve funds held for these bonds. A motion was made by Mr. Reed and seconded by Mr. Hawn to proceed with the early redemption. The motion carried unanimously.

**Director's**

**Election**

A motion was made by Mr. Reed and seconded by Mr. Hawn to Order the 1992 Director's Election to be held on May 2, 1992. The motion carried unanimously. (Notice and Order of Election is attached and is a permanent part of these minutes)

**Financial**

**Report**

Mrs. Sherrill presented the General Operating Fund financial report for November and December and Capital Impact Fund and Tax Fund for October through December. Mr. Reed made a motion to approve the report as presented and Mr. Mora seconded the motion. The motion carried unanimously. (A copy of the reports are on file in the District office)

**Engineer's**

**Report**

Mr. Urban gave a progress report on District related business. (A copy of this report is on file in the District's office)

**Manager's**

**Report**

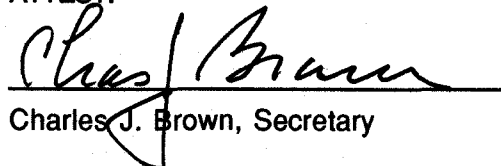
Mrs. Sherrill gave a progress report on routine business. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
Jim Edmonson, President

Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary



# NOTICE AND ORDER OF ELECTION

## (AVISO Y ORDEN DE ELECCION)

An election is hereby ordered to be held on May 2, 1992 for the purpose of electing three (3) directors for the Nueces County Water Control & Improvement District No. 4. *(Por la presente se ordena que se llevara a cabo una eleccion el 2 Mayo, 1992 con el proposito de elegidos tres (3) directores para el Nueces County Water Control & Improvement District No. 4.)*

Notice is hereby given that the polling place listed below will be open from 7:00 a.m. to 7:00 p.m., on May 2, 1992, for voting in a General Election, to elect three (3) directors. *(Notifiquese, por las presente, que las casillas electorales sitados abajo se abriran desde las 7:00 a.m. gasta kas 7:00 p.m. el 2 de Mayo, 1992 para votar en la Eleccion para elegidos tres (3) directores.)*

Location of polling place: *(Direccion de las casillas electorales:)*

Port Aransas Community Center, 408 N. Alister, Port Aransas, Texas.


Absentee voting by personal appearance will be conducted each weekday at the Nueces County W.C.I.D. #4 Office, 315 S. 9th Street, Port Aransas, Texas between the hours of 8:00 a.m. and 5:00 p.m. beginning on April 13, 1992 and ending on April 28, 1992. *(La votacion en ausencia en persona se llevara a cabo de lunes a viernes en Nueces County W.C.I.D. #4 Office, 315 S. 9th Street, Port Aransas, Texas entre las 8:00 de la manana y las 5:00 de la tarde empezando el 13 de Abril, 1992 y terminando el 28 de Abril, 1992.)*

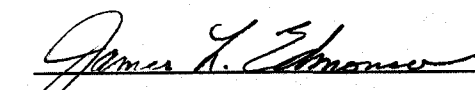
Applications for ballot by mail shall be mailed to: *(Las solicitudes para boletas que se votaran en ausencia por correo deberan enviarse a:)*

Mary K. Moss or Stacey Mendoza  
Nueces County W.C.I.D. #4  
P. O. Box 128  
Port Aransas, Texas 78373

Applications for ballots by mail must be received no later than the close of business on April 24, 1992. *(Las solicitudes para boletas que se votaran en ausencia por correo deberan recibirse para el fin de las horas de negocio el 24 de Abril, 1992.)*

Issued this 4th day of February, 1992. *(Emitada este dia 4 de Febrero, 1992.)*

  
Charles J. Brown, Secretary

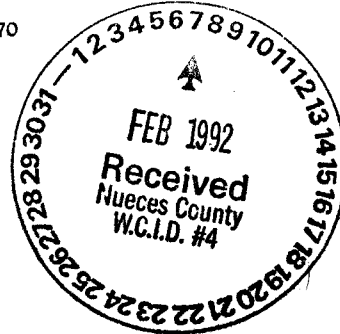
  
Jim Edmonson, President

LAW OFFICES OF  
PRICHARD, PEELER, HATCH, CARTWRIGHT & HALL

A PROFESSIONAL CORPORATION  
SUITE 1500 - TEXAS COMMERCE PLAZA  
802 NORTH CARANCAHUA  
CORPUS CHRISTI, TEXAS 78470  
TELEPHONE (512) 883-6223

C. EDWIN PRICHARD, JR.  
TRAVIS A. PEELER  
RICHARD J. HATCH  
CHAS. N. CARTWRIGHT  
PHILIP M. HALL  
RICHARD J. HATCH, JR.  
KURTIS L. LOOMIS  
JOHN V. TEMPESTA

TELECOPIER  
(512) 883-0115



February 6, 1992

Mrs. Nona Sherrill  
District Manager  
Nueces County Water Control  
and Improvement District No. 4  
P. O. Box 128  
Port Aransas, TX 78373

Re: Utility Services Agreement - Flato Properties

Dear Nona:

I would suggest that you attach a copy of my enclosed letter as well as the letter from John Wright and the original agreement to your minutes in reference to George's motion.

I would further suggest that if the original agreement is used, that paragraph 1 be expanded to say that the obligation to furnish water is subject to capacity and conservation policies.

If you have any questions, please call me.

Yours very truly,

A handwritten signature in dark ink, appearing to be "C. Edwin Prichard, Jr.".

C. Edwin Prichard, Jr.

CEPJr/db  
Enclosure

LAW OFFICES OF  
PRICHARD, PEELER, HATCH, CARTWRIGHT & HALL  
A PROFESSIONAL CORPORATION  
SUITE 1500 - TEXAS COMMERCE PLAZA  
802 NORTH CARANCAHUA  
CORPUS CHRISTI, TEXAS 78470  
TELEPHONE (512) 883-6223

C. EDWIN PRICHARD, JR.  
TRAVIS A. PEELER  
RICHARD J. HATCH  
CHAS. N. CARTWRIGHT  
PHILIP M. HALL  
RICHARD J. HATCH, JR.  
KURTIS L. LOOMIS  
JOHN V. TEMPESTA

TELECOPIER  
(512) 883-0115

February 4, 1992

Mr. Jim Edmonson  
President  
Nueces County Water Control  
and Improvement District No. 4  
P. O. Box 128  
Port Aransas, TX 78373

Re: Utility Services Agreement - Flato Properties

Dear Mr. Edmonson:

It is my understanding that, on or about August 23, 1990, your Board of Directors agreed in principle with Franklin Flato as to the wording of a Utility Services Agreement but no action was taken on that document. Within the last two months, this matter has surfaced again and Mr. John Wright, on behalf of the Flatos, has submitted new documents whereby the August 23, 1990 agreement was completely rewritten. I was requested to compare the new documents with the old and report to you. This proved extremely difficult to do as not only was the wording changed but also the overall format. In discussing this with Mr. Wright, he stated that the changes they sought were not substitutive but merely cosmetic which did not appear to me to be the case. I therefore requested Mr. Wright to give me a written list of the intended purposes of the revisions with the thought that we could better first deal with the principles and if we were in accord on those we could then deal with the specific language. Mr. Wright complied with my request by his letter of January 28, 1992, a copy of which has been furnished to all Board Members.

In the following discussion, please bear in mind that what we are talking about is a contract which once entered into may not be changed except by the consent of both parties, which of course differs from policies, procedures, rules and resolutions which may be promulgated by the Board and changed as the need arises.

In the following discussion, I will first quote the applicable paragraph of Mr. Wright's letter and follow it with discussion. I will refer to the August 23, 1990 agreement as the "original agreement."

- "1. Confirmation that the Nueces County Water Control and Improvement District No. 4 is subject to and operated under the rules and regulations of the Texas Water Commission."

DISCUSSION: I recommend against changing the document in this regard for the reason that I do not believe the District is subject to all of the rules and regulations of the Texas Water Commission but you could make yourself subject to them by contract. The original agreement states that you are a water control and improvement district and political subdivision of the State of Texas, organized pursuant to Article 16, Section 59 of the Texas Constitution which is adequate. Whatever rules and regulations the District is subject to is a matter of law and any attempt to state them would be superfluous.

- "2. NCWCID No. 4 agreement with and support for development of the Flato Tracts to their fullest potential as allowed by planning and zoning of the 'governing municipalities' and clarification that the owner relies on this agreement to commence development."

DISCUSSION: I recommend against this statement in that it is impossible to know what the term "fullest potential" means or how it will be interpreted in the future. I am further disturbed about the statement of reliance in that this smacks of warranty. It is my understanding that your other utility services agreements are conditioned upon capacity, other obligations, conservation measures, etc., whereas the thrust of this seems to be attempting to establish a preferential right. I am of the opinion that the language in the last WHEREAS paragraph on the first page of the original agreement is adequate.

- "3. A clear, concise and transferable agreement with NCWCID No. 4 as to the availability of utility service for the Flato Tracts, the process for procurement of such service, and the transferability of the rights to such service so that as the development process proceeds the utility services for the Flato Tracts will be self evident."
- "5. A detailed definition of uniform procedures, processes, connection possibilities, time frames and fee requirements with a method for conditional approval for the installation of infrastructure and provision of service to the Flato Tracts so that any owner, potential developer or builder

will have the knowledge in order to properly and timely follow required procedures and not delay development."

DISCUSSION: I recommend against the rewording of the contract to accommodate these two concepts for the reasons that your various procedures require flexibility for future change. I believe it would be wise to have written procedures insofar as practicable but I do not believe they should be put in a contract. Your obligation is merely to treat these customers as you do all others in the District. As to the transferability of the contract, this is covered in paragraph 20 of the original contract.

"4. NCWCID No. 4 agreement that in the event such development became restricted by District capacity, the District will either provide additional capacity in a timely fashion or support the owners of the Flato Tracts right to provide such capacity within State certified methods."

DISCUSSION: I recommend against this in that I believe the language of paragraph 16 of the original agreement adequately states the District's position and I would object to the use of relative terms such as "in a timely fashion."

"6. Due to the fact that most fees charged by the District (developer's fee, meter installation fees, capital recovery fee, etc.) are for the reimbursement of actual costs or estimated future actual costs, provide the right to review and verify cost data used to compile District fees."

DISCUSSION: I recommend against any procedure that would require an audit or cost accounting on your part but I see no problem in agreeing to their reviewing the basis for the fees they are charged.

"i) set forth a specific term of the agreement, consideration recitation and a warranty of board procedure, notice and posting so as to remove any technical procedural attacks as to the validity of this contract."

DISCUSSION: I recommend against this in that the term of the agreement should be for as long as the relationship between the parties exists. I object to the recitation and warranty of Board procedure for the same reasons previously stated.

"ii) to provide for the restrictions both inside and outside the City by separate document."

Mr. Jim Edmonson  
February 4, 1992  
Page 4

DISCUSSION: I see no problem with this as long as you can agree on the wording of the separate documents.

"iii) to clarify that the desired annexation into the City of Port Aransas, if reject by the City, is not to be a burden or penalty on the owner."

DISCUSSION: I believe this is covered in paragraph 6 of the original document but I would see no objection to a simple statement that if the desired annexation into the City of Port Aransas is rejected by the City, it shall not be a burden or penalty on the owner.

"iv) to provide a method to allow for water for agricultural use."

DISCUSSION: I would recommend against this unless the agricultural use was subject to human and commercial demands first. I also understand that the District already has a policy for agricultural use.

"v) to have each owner of these tracts sign a duplicate document for their tract."

DISCUSSION: I see no problem in having duplicate documents signed by the various owners.

Yours very truly,

A handwritten signature in dark ink, appearing to read "C. Edwin Prichard, Jr.", with a stylized, cursive script.

C. Edwin Prichard, Jr.

CEPJr/db

January 28, 1992

Mr. Ed Prichard  
Prichard, Peeler, Hatch, Cartwright and Hall  
802 N. Carancahua  
Suite 1500  
Corpus Christi, Texas 78470

Dear Mr. Prichard:

In response to your request for a statement as to the intent of the revised Utility Services Agreement, I offer the following:

1. Confirmation that the Nueces County Water Control and Improvement District No. 4 is subject to and operated under the rules and regulations of the Texas Water Commission.
2. NCWCID No. 4 agreement with and support for development of the Flato Tracts to their fullest potential as allowed by planning and zoning of the "governing municipalities" and clarification that the owner relies on this agreement to commence development.
3. A clear, concise and transferable agreement with NCWCID No. 4 as to the availability of utility service for the Flato Tracts, the process for procurement of such service, and the transferability of the rights to such service so that as the development process proceeds the utility services for the Flato Tracts will be self evident.
4. NCWCID No. 4 agreement that in the event such development became restricted by District capacity, the District will either provide additional capacity in a timely fashion or support the owners of the Flato Tracts right to provide such capacity within State certified methods.
5. A detailed definition of uniform procedures, processes, connection possibilities, time frames and fee requirements with a method for conditional approval for the installation of infrastructure and provision of service to the Flato Tracts so that any owner, potential developer or builder will have the knowledge in order to properly and timely follow required procedures and not delay development.

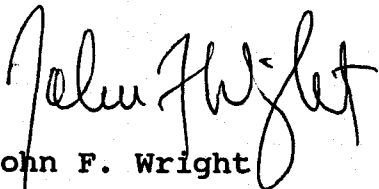
6. Due to the fact that most fees charged by the District (developer's fee, meter installation fees, capital recovery fee, etc.) are for the reimbursement of actual costs or estimated future actual costs, provide the right to review and verify cost data used to compile District fees.

Additionally upon review of the original agreement the following technical points needed to be addressed:

- i) set forth a specific term of the agreement, consideration recitation and a warranty of board procedure, notice and posting so as to remove any technical procedural attacks as to the validity of this contract.
- ii) to provide for the restrictions both inside and outside the City by separate document.
- iii) to clarify that the desired annexation into the City of Port Aransas, if rejected by the City, is not to be a burden or penalty on the owner.
- iv) to provide a method to allow for water for agricultural use.
- v) to have each owner of these tracts sign a duplicate document for their tract.

Also enclosed, per your request is a draft of the changes and amendments necessary to revise the original document to make it compatible with the proposed revised Utility Services Agreement under consideration.

It is my understanding that with this submission I have complied with your requests for clarification as to the need and purpose of the proposed revised Utility Services Agreement, if this is not the case, please contact me. I remain at your service,



John F. Wright

JFW:th



01-27-92

The following changes would need to be made within the preamble:

In Para. 1 delete from "Owners to Attachment No. 1" and put in a blank space. Delete the word "collectively" on line 2. Delete from "acting by" on line 2 through "San Antonio, Texas" on line 4.

In Para. 2 delete "pages \_\_\_\_\_ through \_\_\_\_\_". Delete from the words "and Portions" on line 4 to the first "Owner's Tract" on line 5. Change the word "lying" on line 5 to "is".

In Para. 3 add "subdivision and/or sale of all or part of any or all" after the word development on line 1. After Para. 3 (ii) delete the end of the paragraph and add "to Owner's Tract for their full development potential as allowed by the planning and zoning ordinances as approved by the governing municipalities with jurisdiction over such matters; and".

Para. 4 would need to be completely reworded as follows: "WHEREAS, District has previously passed and adopted policies for providing water distribution and sewerage collection to tracts and subdivisions (as described in this Agreement) and policies for providing water and sewerage services (referenced in Attachment No. 2) to the owners and occupants of land lying within the District; and".

Para. 5 would be deleted.

In Para. 6 add after "has agreed", "under the terms and conditions stated herein,". Delete the words "and which" on line 2 and the words "or subdivisions of the Owner's Tract so that the".

The following paragraphs would also need to be incorporated into the preamble in a fashion that would adapt to your form:

WHEREAS, Owner and District desire that Owner's Tract be annexed into Nueces County Water Control and Improvement District No. 4; and

WHEREAS, District has agreed that if, for reasons beyond its control, District is unable to provide the required services to Owner's Tract, District will aid, assist and in good faith support any and all attempts by Owner to otherwise obtain water and sewerage services;

WHEREAS, District and Owner agree that it is desirable that Owner's Tracts that are contiguous or that become contiguous to the City limits of Port Aransas be annexed to and become part of the City of Port Aransas, Texas, and the parties further agree to cooperate with the officials of the City of Port Aransas in efforts to cause this annexation. Owner, however, will not be adversely affected by the District or penalized in any way under this Agreement should the City of Port Aransas not annex any part of Owner's Tract;

NOW, THEREFORE, for and in consideration of ten dollars (\$10.00) paid by Owner to District and the mutual benefits and covenants set forth herein, the sufficiency and receipt of which is hereby acknowledged, Owner and District hereby agree as follows:

The following changes would need to be made with the body of the agreement:

In No. 1 add "after the date hereof" after the word District. Delete the words "to furnish at all times after the date hereof" and add "to promptly annex all of Owner's Tract into the District and thereafter,". Delete the word "a" on line 2 and add "shall furnish an adequate". Delete "at all times after the date hereof" on line 3. Delete from the words "the furnishing" on line 4 to the words "such services" on line 6 and add "in sufficient amounts to allow for the full development potential as allowed by the planning and zoning ordinances as approved by the Governing Municipalities with jurisdiction over such matters". Add "All references herein to the "Governing Municipality" shall refer to Port Aransas, Texas unless at the pertinent time the tract in question shall be subject to the jurisdiction of Corpus Christi, Texas, or another municipal entity, and in which event the then "Governing Municipality" shall refer to the municipal entity then having jurisdiction over the tract and/or subject matter in question." to the end of the paragraph.

No. 2 would need to be completely reworded as follows: "District, pursuant to this Agreement, (1) shall make available by connections to the transmission or distribution mains now located adjacent or that the District may locate adjacent to State Highway 361 and adjacent to Owner's Tract a

supply of fresh potable water adequate in amount and pressure at all times to serve the occupants of and the development of the Owner's Tract and (2) shall accept and transmit sewage at a capacity sufficient to serve the occupants of and the development of the Owner's Tract by connection at a force main or man-hole site into District's sewage transmission mains now located adjacent or that the District may locate adjacent to State Highway 361 and adjacent to Owner's Tract."

No. 3 has been combined with No. 4 and would therefore be deleted.

In No. 4 delete from the beginning of the paragraph down to the word "practice on line 7 and replace it with the following: "Before District shall actually begin to deliver water to occupant(s) of the Owner's Tract or occupant(s) of a subdivision of the Owner's Tract, there shall have been installed (without cost to District) and the District shall have accepted, pursuant to this Agreement, water distribution lines sufficient to serve said platted tract or subdivision (which lines shall reasonably conform to District's water distribution standards uniformly applicable within the District) sufficient to connect said platted tract or subdivision to District's water distribution main adjacent to State Highway 361 at a point adjacent to Owner's Tract." On the same line, capitalize the word "if" and delete "adjacent to Owner's Tracts" and add "convenient to proposed water distribution lines,". Delete "in number" on line 9, take the "s" off of the words "systems" and "subdivisions", and add "a" before the word "subdivision. Delete "locate on Owner's Tracts" on line 10 and take the "s" off of the word "lines". On line 11, delete from the word "approved" to the end of the paragraph and add "most economically feasible to Owner and approved by District's engineer as keeping with good engineering practice."

In No. 5 add "Before the" to the beginning of the paragraph. Delete "subject to the reservations set forth in paragraph 1 above. On line 2, delete "into" and add "from any occupant(s) of the Owner's Tract or occupant(s) of any platted tract or subdivision of the Owner's Tract, there shall have been installed (without cost to the District) and the District shall have accepted, pursuant to this Agreement, a sewage collection system sufficient to serve said tract or subdivision (which system shall reasonably conform to District's sewage connection standards uniformly applicable within the

District) sufficient to connect said tract or subdivision to". Add the words "collection and force" immediately after "sewage". Take the "s" off of the word "mains" and delete the word "located". On line 3, delete from the word "with" to the end of the paragraph and add "at a point adjacent to Owner's Tract."

No. 6 would be deleted.

In No. 7 change "users in" to "occupants of" on line 1. On line 2, add "occupants of" before "Owner's Tracts" and take the "s" off of "Tracts". Change "such regular" to "at such usual". After customary, delete the rest of the paragraph and add "charges and fees paid by users in this District based on rates determined in a nondiscriminatory manner by the District and subject to the rate making and review powers of the Texas Water Commission."

In No. 8 delete from "At such time" on line 1 to "permission to" on line 2 and replace it with "To apply to District for the". Change the word "install" to "installation" and the word "of" immediately afterwards. On line 3 change the word "system" to "line(s)". after the words "sewage collection system" add "(infrastructure improvements)". Delete "such subdivision(s)," and add "an Owner's Tract or a subdivision of an Owner's Tract,". On line 4 add the words "infrastructure improvement" after the word "any". On line 5 delete everything after the word "property" and add "the application shall include the following:".

In No. 8 D (i) through (vi) delete all of D and rename (i) through (vi) as (A) through (F) with (iii) and (iv) being switched so that (iii) is (D) and (iv) is (C). (A) is unchanged. In (B) delete the word "subdivided" from line 3 and add "serviced by such infrastructure improvement". In (C) delete the "s" from the word "improvements" on line 2 and delete the words "as a part of said subdivision". On line 3 add ", if any," immediately after the word "required". In (D) change the word "all" to "the preliminary" and change the word "and" to "or". Delete the words "property showing approval" and add "Owner's Tract or subdivision of Owner's Tract to be served by said infrastructure improvements as required". (E) is unchanged. In (F) add "and applied on a uniform basis with other applications within the District." to

the end of the paragraph. Next, rename (A) and (B) on the original draft to (G) (i) and (ii) and delete all of (C). In (G) (i) delete the "s" from the word "portions" on line 1 and change the words "containing subdivisions" to "as". On line 3 delete the words "file same" and add "to perform all requirements to cause the plat to be recorded". Add the word "and" to the end of the paragraph. In (G) (ii) delete the word "of" on line 1. Change the word "the" to "such " on line 3 and delete "all construction will be subject to" and add "and allow the required".

In No. 9 add the words "to District for the installation of a water distribution line(s) and/or a sewerage collection system (infrastructure improvements) to serve an Owner's Tract or a subdivision of an Owner's Tract" between the words "application" and "in" on line 1. Delete the second sentence and add the following: "If the application is found to be incomplete, however, the District shall inform Owner within ten (10) days after Owner's filing of the application as to what items are necessary to complete the application. District will use its best efforts to approve or conditionally approve Owner's application. If the District cannot approve Owner's application and the requirements of the District can be listed so that upon satisfaction of the required conditions the application can be approved by the Manager or District Engineer without further action by the Board, the District will conditionally approve Owner's application. If the District should disapprove any application, District shall furnish Owner with the requirements for District's approval in writing no later than ten (10) days after the Board's action to disapprove. The District may not, however, require any prerequisite to approval other than those items set forth in this Agreement, or under the customary and uniform written standards of the District, or those specified in Texas State Law or the ordinances of the Governing Municipality for a water distribution system or sewerage collection system."

In No. 10 delete the words "from Owner" on line 1 and add "for the installation of a water distribution line(s) and/or a sewerage collection system (infrastructure improvements) to serve an Owner's Tract or a subdivision of an Owner's Tract". Delete the word "Developer" on line 3. Add "The Developer Fee shall be as provided by District policy passed on November 21, 1980." to the end of the paragraph.

In No. 11 delete the words "from Owner" on line 1 and add "for the installation of a water distribution line(s) and/or a sewerage collection system (infrastructure improvements) to serve an Owner's Tract or a subdivision of an Owner's Tract". Add "as Owner may require. Any charge for such temporary water shall be at nondiscriminatory usual and customary rates for such service. In addition, Owner will be provided water for agricultural use without the necessity to plat or subdivide at the usual and customary rates for such service, upon request from Owner." to the end of the paragraph.

In No. 12 delete from "at such time" to "acceptable to District" and add "before the District will issue a "Letter of Acceptance for Operation and Maintenance", the". In 12(A) and the words "and specifications" after the word "plans" on line 1 and the word "the" after the word "showing". Delete the word "lines" on line 2 and add "line(s) and/or system (infrastructure improvements)". Add the word "and" to the end of the paragraph. In 12(B) delete the word "lines" and add "infrastructure improvements" on line 1. Delete from the words "with a" at the end of line 1 all the way to the word "District" at the end of the paragraph. Change 12(C) to 12(D) and make 12(C) the following: "Deliver to District a warranty, drawn in accordance with standards adopted by District, assigned from Owner's contractor to District for materials and construction of infrastructure improvements for a period of one (1) year; and". Add "above and as pertains to the subject application." to the end of 12(D).

No. 13 would be deleted.

In No. 14 add "at any time during the term of this agreement" between "furnish" and "within". At the end of the second sentence change Owner to Owner's Tract. Delete and/or then occupants of Owner's Tracts and add "pursuant to this agreement, to any party the Owner may specify in said written request." as the end of the paragraph.

No. 15 would be deleted.

No. 16 is such an expansion of terminology that it would be best to delete the whole paragraph and add the following: "If at any time and for any

reason beyond its control, the District is unable to provide the required services, pursuant to this Agreement, to Owner upon application to install water distribution line(s) and/or a sewage collection system for Owner's Tract or a subdivision of Owner's Tract (infrastructure improvements) upon application for service by an occupant(s) of Owner's Tract or a subdivision of Owner's Tract, District will provide to Owner within the time periods specified in Paragraph 10 hereof: 1) a written report specifying why such services cannot be provided along with sufficient supporting documentation for verification by Owner of any inability of District to perform and 2) the District's proposal, with projected time frames, for providing the required services to Owner's Tract. In such event, the Owner may chose to provide the water and sewerage services from another entity or by other means and the District expressly agrees to aid, assist, and in good faith upon request from Owner support any and all attempts by the Owner to otherwise obtain the desired water and/or sewerage services by whatever source or means the Owner desires. This requirement of District to support Owner's efforts includes, but is not limited to, deannexation or exclusion of all or part of Owner's Tract upon Owner's request, if permissible under law and necessary to Owner's purpose, so that Owner may proceed to obtain the desired water and/or sewerage services. It is, however, the intention and belief of the District that, the District has or will have the physical capacity and financial capability for all water and sewer service that may be required for the full development potential of the Owner's Tract as allowed by the planning and zoning ordinances as approved by the Governing Municipalities with jurisdiction over such matters. Owner relies on this good faith representation of District to commence and undertake the development of Owner's Tract."

No. 17 remains unchanged.

No. 18 remains unchanged.

In No. 19 delete "In the event any phrase," and the words "If any" to line 1. Delete the words "paragraph in" and add the words "provision of". Change the word "deemed" to "illegal". After "invalid" on line 2 add "unenforceable under present or future laws effective during the term of this Agreement, then and in that event,". Delete the words "agreed by" and add "the

intention of". Delete from the word "same" on line 2 to the end of the paragraph and add the following: "remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision of this Agreement that is illegal, invalid or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible which is legal, valid and enforceable and corresponds with the intent of the parties set forth in the Agreement."

In No. 20 add "and/or all future occupants" to the very end of line 3. Delete the "s" from the word "Tracts" on line 4 and add "and any and all future owners and/or all future occupants will have the same rights as Owner as set forth herein."

In No. 21 add "and no other conditions or restrictions shall apply to Owner except as specifically set forth herein." to the end of the paragraph.

The following paragraphs would also need to be incorporated into the agreement in a fashion that would adapt to your numbering system.

The term of this Agreement shall commence on the day of this Agreement and terminate ninety-nine years from the date of commencement except that water and sewer service, once supplied to any tract or portion thereof, will continue as required under applicable law.

Nothing in this Agreement shall prevent or restrict Owner's right to install septic tanks or any other waste treatment system in accordance with state regulations to service Owner's Tract in any area where the District's sewage transmission mains are either not immediately adjacent to Owner's Tract or are not adequate to serve Owner's Tract or for any other reason the result of which prevents Owner from connection to a sewage transmission main immediately adjacent to Owner's Tract.

District agrees that at such time as the installation of a water distribution line(s) and/or sewerage collection system (infrastructure improvements) to serve an Owner's Tract or a subdivision of an Owner's Tract



have been completed in accordance with the approved application and Owner has requested District to accept the said line(s) and/or system, District will complete its testing procedure in accordance with the uniform standards of the District within 10 days after Owner's request. If said lines or system are found to be acceptable to the District, the District will issue a "Letter of Acceptance for Operation and Maintenance" signifying acceptance of all infrastructure improvements no later than 10 days after the completion of the testing of said improvements. If said line(s) are found not to be acceptable to District in accordance with the uniform standards of the District, District shall specify to Owner all unacceptable items within 10 days of the completion of testing of said improvements.

Any occupants of Owner's Tract or occupants of a subdivision of Owner's Tract, where water distribution line(s) and/or a sewerage collection system (infrastructure improvements) have been installed and accepted for operation and maintenance by the District, may apply for water and sewerage services. District will charge such customary charges and fees as is charged by the District to other users within the District and the occupant(s) shall be supplied water and sewer services and shall be treated by and subject to the regulations of District on the same and uniform basis as other users within the District. Said charges and fees shall be calculated according to previously passed and adopted policies for providing water and for providing sewerage service (referenced in Attachment No. 2) to the owners and occupants of land lying within the Nueces County Water Control and Improvement District No. 4 as may be amended from time to time. In no event shall these fees be in excess of those allowed by law, including but not limited to Chapter 395 of the Local Government Code, as may be amended. It is expressly agreed that the District will not collect any impact fee (such as those referenced in Attachment No. 2) until the time the user actually connects to the District's water or sewer system for permanent water and or sewerage use.

It is agreed and warranted by District that any determination by the District and the District's agents and representatives herein and by the Manager as required in the resolutions attached hereto will be in accordance with customary standards and any such determination or approval will not be unreasonably withheld.

Owner may request from District any accounting information and proof of costs for any fee that Owner is required to pay and District shall provide all requested accounting information and proof of costs within twenty (20) days after receipt of such request in writing from Owner. District shall not bear any expenses for any accounting requested by Owner but District will charge Owner only the actual costs of assembling and/or copying the information requested by Owner.

District warrants, through the undersigned representatives, that the District has fully complied with all laws, rules and regulations to bind District hereto, including but not limited to all notice and posting requirements, and District agrees to promptly rectify and alter discovered noncompliance with such laws, rules, and regulation so as to make this Agreement effective when signed. It is agreed that any such procedural noncompliance by District will not affect District's obligations and liability to Owner under the terms specified herein.

Copy Approved in Principal  
By Board.

Presented Aug 23 1990

UTILITY SERVICES AGREEMENT

Noted from Board meeting

Sept - Oct 89  
first copy  
with return

STATE OF TEXAS §  
COUNTY OF NUECES §

THIS AGREEMENT, dated the \_\_\_\_ day of \_\_\_\_, 19\_\_, by and between Owners listed on the attached Attachment No. 1 (hereinafter collectively referred to as "Owner") and NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4, a water control and improvement district and political subdivision of the State of Texas, organized pursuant to Article 16, Section 59 of the Texas Constitution (hereinafter referred to as "District");

W I T N E S S E T H:

WHEREAS, Owner owns certain land on Mustang Island in the County of Nueces, State of Texas, as described in Attachment No. 1, pages \_\_\_\_ through \_\_\_\_ attached hereto and incorporated herein as if set forth in full, hereinafter collectively referred to as the "Owner's Tracts" and portions thereof being sometimes called the "Owner's Tract" or the "Tract", and all of Owner's Tracts lying within the boundaries of the Nueces County Water Control and Improvement District No. 4; and

WHEREAS, Owner is making plans for the development of Owner's Tracts, and therefore needs to be assured of -

- (i) an adequate supply of fresh potable water; and
- (ii) adequate sewerage service

to future residents and businesses which will be located within these developments; and

WHEREAS, District has previously passed and adopted policies for providing water (Attachment Nos. 2, 3, 4 and 5) and for providing sewerage service (Attachment Nos. 6, 7, 8 and 9) to the owners and occupants of land lying within the Nueces County Water Control and Improvement District No. 4; and

WHEREAS, District and Owner have met to discuss the provision by District of said water supply and sewerage service to the future occupants of the Owner's Tracts; and

WHEREAS, District has agreed to supply an adequate supply of fresh potable water and to provide adequate sewerage service to the future occupants of Owner's Tracts, and which water supply and sewerage service will permit Owner to develop Owner's Tracts:

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PREMISES, Owner and District hereby agree as follows:

1. District agrees to furnish at all times after the date hereof subject to the provisions of this Agreement, a supply of fresh potable water to the occupants of Owner's Tracts, and at all times after the date hereof to take, receive, transmit, and treat sewage from Owner's Tracts, the furnishing of water and the taking, receipt and transmission of sewage being subject to the usual and customary charges and fees paid by the users in the District for such services, and subject to interruptions in said service due to normal maintenance, repair and upkeep of the water and sewerage system of District, or any other cause beyond the control of District.

2. Before District shall actually begin to deliver water to any subdivision located on Owner's Tracts, there shall have been installed without cost to District, water transmission and distribution lines (which lines shall reasonably conform to District's water distribution standards uniformly applicable to subdivisions within the District) sufficient to connect to District's water transmission or distribution mains adjacent to State Highway 361 at the tap point or points provided for water distribution to users in Owner's Tracts.

3. Before District shall actually begin to accept and transmit sewage from any subdivision located on Owner's Tracts, there shall have been installed without cost to District, sewage collection lines (which shall reasonably conform to District's sewage collection standards uniformly applicable to subdivisions within the District) sufficient to connect to District's sewerage collection and transmission mains adjacent to State Highway 361 at the connection points provided for sewage collection from occupants of Owner's Tracts.

4. District shall, subject to the reservations set forth in paragraph 1 above, make available from transmission or distribution mains adjacent to State Highway 361 a supply of fresh potable water adequate in amount and pressure at all times to serve future residential and commercial developments upon Owner's Tracts. Service to Owner's Tracts shall be made available by tap or taps to District's mains adjacent to State Highway 361 at a location (tap point or points) convenient to Owner's Tracts and in accordance with good engineering practice; if District has no distribution main adjacent to Owner's Tracts, so that service must be provided from a transmission main, taps shall be limited in number to those designated to serve the water distribution systems for subdivisions located on Owner's Tracts, and the lines will be constructed with a "loop" back to the Transmission Main in a manner approved by District's Engineer's; and further provided that the actual cost of the taps shall be borne by Owner.

5. District shall, subject to the reservations set forth in paragraph 1 above, accept and transmit sewage into District's sewage transmission mains located adjacent to State Highway 361, with sewerage service capacity sufficient to serve future residential and commercial developments upon Owner's Tracts.

6. District and Owner agree that it is desirable that the Owner's Tracts will be annexed to and become a part of the City of Port Aransas, Texas, and the parties further agree to cooperate with the officials of the City of Port Aransas in efforts to cause this annexation. All references below to the "governing municipality" shall refer to Port Aransas, Texas, unless at the pertinent time the Tract in question shall be subject to the jurisdiction of Corpus Christi or another municipal entity, and in which event the term "governing municipality" shall refer to the municipal entity then having jurisdiction over the Tract and/or subject matter in question.

7. District may charge for water delivered to users in Owner's Tracts, and for the collection, transmission and treatment of sewage from Owner's Tracts such regular and customary rates and charges as may be charged by District to other users within District, and users within Owner's Tracts shall be treated by and subject to the regulations of District on the same and uniform basis as other users within the District.

8. At such time as Owner desires to subdivide any one or more of Owner's Tracts, Owner agrees that by making an application to District for permission to install a water distribution system and/or a sewerage collection system to serve such subdivision(s), which application must be made prior to the commencement of any construction on the property, Owner is agreeing to the following:

- A. To plat such portions of Owner's Tracts containing subdivisions described in said application in accordance with the platting and sub-division ordinances of governing municipality and file same in the Plat Records of Nueces County, Texas;
- B. To construct any improvements in accordance and compliance with the Building Codes of the governing municipality; to obtain any necessary permits required by the governing municipality; and all construction will be subject to inspection by the Building Inspectors of the governing municipality;
- C. If the portion of the Owner's Tracts within the subdivision which is the subject of the Application is not then annexed into a municipality, Owner will (i) agree to immediate annexation of said subdivision by the City of Port Aransas, if legally permissible; or if not (ii) enter into a contract with the City of Port Aransas that at such future time as Port Aransas' city limits are contiguous to such subdivision, Owner will petition and cooperate to cause such subdivision to be annexed into the City of Port Aransas; and

D. To apply to District for the installation of a water distribution system and/or a sewerage collection system to serve subdivisions of Owner's Tracts. The application to District shall include the following:

- (i) A completed application form as provided by District;
- (ii) Proof of ownership either by deed or title opinion from any attorney licensed to practice law in the State of Texas showing that the property which is to be subdivided is in fact subject to this agreement and is in fact owned by the party or parties making the application;
- (iii) A copy of all plats and replats of the property showing approval by the governing municipality;
- (iv) A complete set of construction documents concerning the infrastructure improvements to be constructed as a part of said subdivision including a copy of all permits required by the governing municipality for the construction of said improvements in accordance with the Building Codes of the governing municipality;
- (v) A copy of the Flood Elevation Permit issued either by the governing municipality or the Nueces County Commissioner's Court showing compliance with the provisions of the National Flood Insurance Program, and a copy of any dune permit required; and
- (vi) Payment of a deposit to be applied in payment of the "Developer Fee" as provided by District policy passed on November 21, 1980; the Developer Fee shall cover reimbursement to the District for reasonable legal, engineering and other costs directly related to the project covered by the Owner's application; provided, however, such cost and allocation thereof, must be consistent with generally accepted engineering and accounting practices.

9. District agrees to respond to Owner's application in a timely fashion, but in no event later than sixty (60) days after Owner's filing of the application with District. If District disapproves any application, District shall furnish Owner with written requirements prerequisite to District's approval.

10. Upon approval of an application from Owner, District shall provide Owner with an estimate of the total Developer Fee for the project together with an estimated payment schedule for the payment of such Developer Fee.

11. Upon approval of an application from Owner, District agrees to furnish temporary water to Owner for construction purposes.

12. Owner agrees that at such time as the water distribution lines and sewage collection lines are completed and tested in accordance with standards acceptable to District, Owner shall do the following:

- A. Provide District with a set of "As-Built" plans showing location of said lines certified to by the Engineer for Owner;
- B. Dedicate said lines, with appropriate easements, to District with a warranty to District for a period of one (1) year drawn in accordance with standards adopted by District; and
- C. Pay any outstanding Developer Fee as above described.

13. Owner agrees that all items required to be furnished by Owner to District under the provisions of this Agreement will be delivered to District as soon as the items are available, but in no event later than sixty (60) days following the completion of any improvements, as such completion is evidenced by "Letter of Acceptance for Operation and Maintenance" from District. In the event of a failure to provide the items required under this Agreement within the time allotted hereunder, District shall not be required to provide further water and/or sewerage service to said improvements until such time as Owner has completely fulfilled its obligations hereunder.

14. District agrees to furnish within ten (10) days after written request of Owner a written confirmation of the availability of water and sewerage services to the Owner and/or then occupants of Owner's Tracts.

15. At such time as Owner submits an Application for Service accompanied by a copy of the Building Permit issued by the governing municipality, and upon payment of all fees pursuant to the District's policies concerning the furnishings of water and sewer services (Attachment Nos. 2, 3, 4, 5, 6, 7, 8 and 9), District shall provide water and sewerage services as requested.

16. If District under the terms and conditions of this Agreement finds itself unable, for any reason, to provide the water and sewerage service contemplated by this Agreement, District shall aid, assist and in good faith support any and all attempts by Owner to provide water and sewerage services or otherwise obtain such water and sewerage services from such other sources as may be selected by Owner.

17. Owner agrees to promptly execute and record the deed restrictions contained in Exhibit "A" to this Agreement, these restrictions to be affixed as covenants running with the land. Provided, however, certain of the restrictions will terminate as provided in said Exhibit "A" if and when any portion of Owner's Tracts are annexed into a city, but such termination shall only apply to Tracts actually annexed.

18. In the event Owner develops the property which is the subject matter of this Agreement in two or more phases, or subdivides said property and sells individual lots, then, it is agreed by Owner, Owner's successors and assigns, that the provisions of this

Agreement shall be applicable to each phase or lot and a reference to this Agreement will be made in each conveyance.

19. In the event any phrase, clause, or paragraph in this Agreement is deemed invalid, it is agreed by the parties hereto that the same shall not affect any other phrase, clause, or paragraph in this Agreement.

20. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns; it being expressly agreed that the District's and the Owner's obligations hereunder shall inure to the benefit of the future owner or owners of all or a portion of Owner's Tracts. This Agreement shall be governed by the laws of the State of Texas and shall be performable in Nueces County, Texas.

21. This Agreement supersedes any and all previous agreements dealing with Owner's Tracts.

EXECUTED in duplicate originals the day and year first above written.

NUECES COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 4

ATTEST:

\_\_\_\_\_  
Secretary

By \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:


\_\_\_\_\_  
Attorney for District

STATE OF TEXAS           §  
COUNTY OF NUECES       §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 1990 by \_\_\_\_\_ of NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4, a water control and improvement district and political subdivision of the State of Texas.

\_\_\_\_\_  
Notary Public, State of Texas



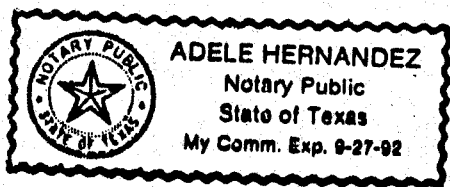
  
Franklin Flato


THE STATE OF TEXAS

COUNTY OF NUECES

BEFORE ME, the undersigned authority, appeared Franklin Flato, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 23 day of AUGUST, 1990.



  
Adele Hernandez  
Notary Public, State of Texas  
My Commission Expires 9-27-92

DECLARATION OF PROTECTIVE COVENANTS

STATE OF TEXAS       §

COUNTY OF NUECES    §

THIS DECLARATION is made by the undersigned landowners who are sometimes collectively hereinafter referred to as "Declarants";

W I T N E S S E T H:

WHEREAS, Declarants are the owners of land on Mustang Island in the County of Nueces, State of Texas, as described in Exhibit "A", attached hereto and incorporated herein as if set forth in full, hereinafter collectively referred to as the "Declarants' Tracts" and portions thereof being sometimes called the "Declarants' Tract" or the "Tract", and all of Declarants' Tracts lying within the boundaries of the Nueces County Water Control and Improvement District No. 4; and

WHEREAS, Declarants desire to develop Declarants' Tracts as part of a multi-use development, including the provision for a plan of development which will, in Declarants' judgment, enhance and protect the value of the Declarants' Tracts, and to protect successive owners of all portions of the Declarants' Tracts from conditions or uses that would diminish, reduce, or detract from the value and/or desirability of all or portions of the Declarants' Tracts; and

WHEREAS, Declarants desire to adopt, prescribe and impose certain protective covenants and performance standards on the Declarants' Tracts in order to accomplish the above objectives;

NOW, THEREFORE, Declarants, as Owners and Developers of the Declarants' Tracts, do hereby impose thereon the following conditions, covenants, performance standards and restrictions (hereinafter collectively called the "Protective Covenants"), which shall be covenants running with the real property and which shall be binding upon any purchaser, grantee, owner, lessee, tenant or occupant of all or any part of the Declarants' Tracts and their respective heirs, executors, administrators, devisees, successors and assigns:

ARTICLE I

DEFINITIONS

As used in this Declaration, the following terms shall have the meaning set forth in this Article I unless the context shall expressly provide otherwise:

1. "Controlled Area" shall mean the area seaward of the Dune Protection Line and landward of the Primary Dune Line.

2. "Dune Protection Line" shall mean a line one thousand feet (1,000') landward of the line of "Mean High Tide" of the Gulf of Mexico and further established by drawing and written description on file with the County Clerk, Nueces County, Texas.

3. "Governing Municipality" shall mean a municipal entity which lawfully annexes all or any part of Declarants' Tracts.

4. "Permit" shall mean any permit, license, grant, consent or other authorization (issued by the Commissioners Court of Nueces County, Texas, or subsequent or successor Governmental Authority) which may be required by Chapter 63 of the Texas Natural Resources Code or subsequent governing statute, if any.

5. "Primary Dune Line" shall mean a line established through field observations approximately parallel to the line of the Mean High Tide linking points of maximum elevation along the Primary Dune Line but disregarding irregularities and deviations.

6. "Sea Level" shall mean the (U.S.C.&G.S.). N.G.S. Bench Mark #A 142, mean sea level datum, 1968 adjustment. Published Elevation = 346.042 feet.

## ARTICLE II

### DUNE PROTECTION

The Protective Covenants stated in this Article II shall apply only to the portion of the Declarants' Tracts lying between State Highway 361 on the West and the Gulf of Mexico on the East:

1. No person without a Permit shall excavate, remove or relocate a sand dune or portion of a sand dune that is located seaward of the Dune Protection Line.

2. No person without a Permit shall kill, destroy or remove in any manner vegetation growing on a sand dune seaward of the Dune Protection Line without making provision for the stabilization of the dune by the installation or construction of improvements or the replanting or resodding of vegetation on the dune to maintain the dune to the minimum elevation shown on the Special Flood Hazard Map of the area adopted by the administrator of the Federal Insurance Administration under the National Flood Insurance Act of 1968. Notwithstanding the foregoing provisions, or any other provision in this Declaration to the contrary, no portion of the Primary Dune Line shall be disturbed in such fashion to reduce same to an elevation of less than twelve feet (12') above Sea Level.

3. No construction of streets or roads which would enable vehicular traffic between the Gulf of Mexico Beach and the interior of the Declarants' Tracts shall be permitted.

4. No development or construction in the Controlled Area and/or the area seaward of the Primary Dune Line and landward of the line of Mean High Tide shall be permitted without a permit.

5. Provided, however, that nothing contained in this Article II shall prohibit the construction of elevated pedestrian walkways (including fishing piers) and/or fences or re-vegetation projects.

### ARTICLE III

#### UNDERGROUND UTILITIES

All utilities constructed on the Declarants' Tracts subsequent to the date hereof shall be placed underground, except for (i) Central Power and Light main transmission lines and primary feeder lines, (ii) temporary utility service drops incidental with development and construction projects, (iii) surface outlets customarily placed above ground, (iv) utility plants and (v) other appurtenances that in the exercise of good engineering practices require above ground placement.

### ARTICLE IV

#### LAND USE RESTRICTIONS

The following Protective Covenants shall apply to all portions of Declarants' Tracts until they become subject to the planning and zoning ordinances of a Governing Municipality:

1. Heavy Industrial uses, as defined as of the date hereof by the City of Corpus Christi, Texas (such definition being set forth on Exhibit "\_\_\_" attached hereto and incorporated herein), are prohibited; provided, however, this restriction shall not be interpreted to prohibit boat yards and boat repair facilities, or to prohibit activities and uses usual and customary to recreational harbors on the Texas Gulf Coast.

➔ 2. Except for Recreational Vehicle Resorts, which provide accommodations and services for transient recreational vehicles both motorized and towed (including but not limited to sales, maintenance, support, etc.), no portion of Declarants' Tracts shall be used for the parking, storing or selling of mobile homes or house trailers, nor shall such units be used for a residence in any event. Provided, however, nothing contained in this paragraph shall prohibit the use by recreational vehicles within such recreational vehicle resorts from being used for such time periods (not to exceed 120 days) to accommodate "Winter Texans".

3. No portion of the Declarants' Tracts shall be used to store, collect or otherwise accumulate unused, inoperative, or derelict vehicles, equipment or materials which would commonly be thought of as "junk".

4. Except for existing billboards which shall be permitted until December 31, 1992, or when existing billboard leases terminate, <sup>EARLIER</sup> whichever is later, no free-standing advertising signs shall be constructed on any portion of the Declarants' Tracts; provided, however, this restriction shall not be interpreted to prohibit signs advertising (i) all or any part of Declarants' Tracts to be "For Sale" or "For Lease"; or (ii) for advertising, promoting and identifying current or prospective developments, amenities and businesses located on Declarants' Tracts.

5. No structures of a temporary character, tents, storage buildings (garage or otherwise), barns, or any part thereof, shall be used as a residence, dwelling, or place of business dealing with the public. Provided, however, nothing contained in this paragraph shall prohibit structures of a temporary character from being used in conjunction with construction, promotion, real estate sales operations or other such temporary facilities consistent with standard practices in the development of a first class resort facility.

6. Except for the temporary use of "self-contained" toilets which meet the criteria of the Texas State Health Department regulations, no outdoor toilets shall be permitted. No installation of any kind for the disposal of sewage shall be allowed which, in normal use, would result in raw or untreated sewage being discharged or otherwise allowed to enter into water bodies.

7. No portion of the Declarants' Tracts shall be used in any manner which results in the following:

- a. The emission of noxious or offensive odors, dust, or particulate matter; and
- b. The discharge into water bodies in, on or adjacent to the Declarants' Tracts of liquids, gases, or solids which have the effect of materially polluting such water bodies, whether such pollution is in the nature of heat, chemicals, organic or inorganic matter or particulate matter; provided, however, that this covenant shall not be interpreted to preclude usual storm drainage projects.

8. Except for the normal operation and use of residential type trash containers and dumpster type refuse disposal containers and refuse collection operations, including but not limited to designated collection points and transfer station processes, no portion of

the Declarants' Tracts shall be used or maintained as a dumping ground, land fill, collection or storage area for garbage, trash, refuse, debris, or any other discarded materials.

## ARTICLE V

### BUILDING CODE REQUIREMENTS

The following Protective Covenants shall apply to all portions of Declarants' Tracts until they should become subject to the building codes of a Governing Municipality:

1. No building designed primarily as a multi-family dwelling (including without limitation an apartment building, a residential condominium building or hotel) shall be erected on any portion of the Declarants' Tracts unless:
  - a. Automobile parking spaces, each with average (i.e., provisions for small car spaces) minimum dimensions of nine feet by eighteen feet (9' x 18'), and reasonably accessible from the building but not necessarily on the same lot or tract, are provided with or without charge for use by those using the building, in an aggregate number of not less than the sum of:
    - (i) Two (2) parking spaces per dwelling unit;
    - (ii) One (1) parking unit per motel guest room and each employee required for normal shift operations;
    - (iii) One (1) parking space per each two hundred fifty (250) square feet of retail floor space; or
    - (iv) One (1) parking space for every four (4) seats in a restaurant or lounge (bar).
  - b. For any building site that is wholly within the Controlled Area at least fifty percent (50%) of such area shall remain open space. For any building site which is partially within a Controlled Area at least fifty percent (50%) of the area within such Controlled Area shall remain open space and thirty-five percent (35%) of the total building site shall remain open space. For the purposes of this Declaration the term "open space" shall include all space open to the sky, including uncovered recreational areas (swimming pools, tennis courts, golf courses, etc.), uncovered pedestrian walkways, and portions of uncovered parking areas, driveways and streets to the extent that such uncovered parking areas, driveways and streets do not exceed fifteen percent (15%) of the portion of the Controlled Area in which they are located.
  - c. Provided that none of the provisions of this paragraph 1 of Article V shall apply to any building that is not designed primarily as a multi-family dwelling.
2. All improvements constructed within the Declarants' Tracts shall be of a design and quality of construction to meet the standards as required by the Texas Catastrophic Insurance Association Building Code (as modified from time to time) for windstorm

resistant construction or to withstand a thirty-five pound (35 lb.) wind load, whichever is greater.

3. All buildings and other improvements placed on any portion of the Declarants' Tracts shall be newly erected on said Tract. No second-hand or otherwise used buildings or improvements shall be moved onto Declarants' Tracts except for the development of theme or period uses (i.e., historical buildings, theme buildings consistent with a development theme, etc.), and in such event, only when said buildings or improvements have been restored to the extent they meet all applicable building standards and are used in a fashion providing for the public safety.

#### ARTICLE VI

##### ACCESS

1. Vehicular access to State Highway 361 from any lot or unplatted tract within the Declarants' Tracts (as they are now or may be hereafter divided) shall be limited to no more than one (1) access point for each three hundred feet (300') of frontage on said Highway 361. In the event of a proposal to develop tracts with less than three hundred feet (300') of frontage, an access road joining such tracts may be created, which access road may have access points to Highway 361 every three hundred feet (300'). Each access point to Highway 361 shall be of a sufficient width to enable safe vehicular ingress and egress and shall comply with all applicable standards of the State Department of Highways & Public Transportation. This provision shall not prevent or limit method of access to interior lots or unplatted tracts which do not have a common boundary with State Highway 361.

2. No speed bumps shall be permitted on any portion of Declarants' Tracts.

#### ARTICLE VII

##### GENERAL PROVISIONS

1. Declarants, or any Owner, shall have the right to enforce all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration by any proceeding at law or in equity. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. If any paragraph, section, sentence, clause or phrase of this Declaration shall be or become illegal, null, or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections,

sentences, clauses or phrases of this Declaration shall continue in full force and effect and shall not be effected or negated by such illegal, null or void provision.

3. This Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by, the Declarants, the Owner of any Tract subject to this Declaration and/or the Nueces County Water Control and Improvement District #4 and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided herein, shall be effective for a term of ten (<sup>10</sup>~~10~~) years from the date this Declaration is recorded, after which time said Protective Covenants shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first ten (<sup>10</sup>~~10~~) year period by an instrument signed by not less than ninety percent (90%) of the Owners of the Declarants' Tracts, and signed by the Nueces County Water Control and Improvement District #4. After the first ten (<sup>10</sup>~~10~~) year period above described, the approval of the Nueces County Water Control and Improvement District #4 shall not be required for an amendment, and this Declaration may thereafter be amended by an instrument signed by not less than seventy-five percent (75%) of the Owners of the Declarants' Tracts. No amendment to this Declaration shall be effective until recorded in the Real Property Records of Nueces County, Texas, nor shall they be effective until any required approval of any governmental regulatory body having jurisdiction over Declarants' Tracts shall have been obtained.

4. Upon the annexation by a Governing Municipality of any portion of Declarants' Tracts, the provisions of Articles IV and V of these Protective Covenants shall terminate with respect to such portions so annexed.

Executed by the said Declarants, this \_\_\_\_\_ day of \_\_\_\_\_, 1990.



**20**

**2**

George Hawn, Vice President

**OCTOBER 8, 1991**

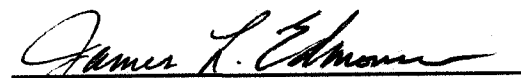
COUNTY OF NUECES §

Mr. Urban gave a progress report on District related business. (A copy of this report is on file in the District's office)

**Manager's  
Report**

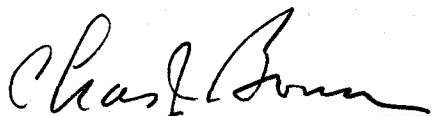
No report was filed.

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.



Jim Edmonson, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:



Charles J. Brown, Secretary

# RESOLUTION AND ORDER

## AMENDING WATER AND WASTEWATER RATES

---

On the 8th day of October, 1991 the Board of Directors of the Nueces County Water Control & Improvement District No. 4, convened in a Special Meeting being open to the public at the regular meeting place thereof in said District, with the following members of the Board present:

_____ President	_____ Jim Edmonson
_____ Secretary	_____ Charles Brown
_____ Director	_____ Al Mora
_____	_____

The President of the Board presented an order amending the water and wastewater rates. Minutes of the October 8th, 1991 meeting reflect the amended rates. Therefore, the Board of Directors organized a resolution to legally establish the amended rates.

The resolution and order was read in full and, after a full discussion thereof, Al Mora made a motion that it be adopted. The motion was seconded by Charles Brown. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

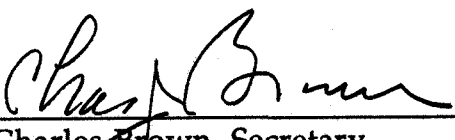
Ayes: - 3 -  
Nays: - 0 -

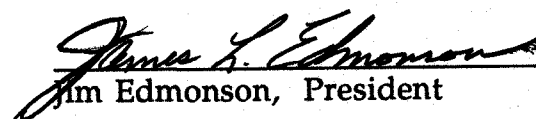
The President then declared the resolution and order finally passed and adopted. The resolution is as follows;

Water and Wastewater rates are amended as listed on the attached Rate Schedule and are effective with the November 1st, 1991 billing.

Passed and approved by the Board of Directors of the Nueces County Water Control & Improvement District No. 4 on the 8th day of October, 1991 .

ATTEST:

  
Charles Brown, Secretary

  
Jim Edmonson, President

**NUECES COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 4  
RATE SCHEDULE**

---

**WATER RATES**

<u>Code</u>	<u>Meter Size</u>	<u>Minimum</u>	<u>Connect Fee</u> <sup>1</sup>	<u>Taps</u> <sup>2</sup>
B	5/8	9.98	15.00	N/A
C	3/4	9.98	15.00	441.38
D	1"	23.10	15.00	465.23
E	1&1/2	46.20	15.00	750.00 <sup>3</sup>
F	2"	92.40	25.00	750.00 <sup>3</sup>
G	3"	182.70	25.00	750.00 <sup>3</sup>
H	4"	365.40	25.00	750.00 <sup>3</sup>
I	6"	570.15	25.00	750.00 <sup>3</sup>

**PLUS** \$2.10 for each 1,000 gallons over the minimum of 5,000 gallons.

- <sup>1</sup> This charge will be doubled for unauthorized connections and regular connections after business hours, weekends and holidays.
- <sup>2</sup> Plus Capital Impact Fees if applicable.
- <sup>3</sup> Minimum charge. Final charge will be based on actual cost of the installation and cost over minimum will be invoiced to the customer.

**CONSTRUCTION METERS** (2" meter on fire hydrant) - \$3.31 for each 1,000 gallons over the minimum of 5,000 gallons. A \$275.00 deposit is required (this includes \$100.00 to cover any damage to hydrant).

---

**WASTEWATER RATES**

**SEWER TAPS** <sup>2</sup>                      4" - \$542.27                      6" - \$542.27<sup>3</sup>

**RESIDENTIAL** - Code G (one single family unit): \$9.98 - minimum **PLUS** \$1.05 for each 1,000 gallons over the minimum of 5,000 gallons with a maximum charge of \$15.23 for 10,000 gallons.

**ALL OTHERS** - Code H: \$16.80 - minimum **PLUS** \$1.05 for each 1,000 gallons over the minimum of 5,000 gallons with no maximum charge.

**STATE OF TEXAS**                                 **\$**

**COUNTY OF NUECES**                                 **\$**

	President	Jim Edmonson
	Vice President	George S. Hawn
	Director	Ed Reed
Absent:	Secretary	Charles Brown
	Director	Al Mora
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
Visitor:	Mayor, City of Port Aransas	J. C. Barr
	City Manager, City of Port Aransas	Gordon Beck

Mrs. Sherrill presented the financial reports for July and August and projected year end for all funds. The proposed 1991/92 budget was reviewed at which time it was recommended that a 5% increase in water and wastewater rates be considered. After discussion, a motion was made by Mr. Reed and seconded by Mr. Hawn to approve the financial report and budget as recommended and present the proposed rate increase at the next scheduled meeting. The motion carried unanimously. (A copy of the 1991/92 budget is attached and becomes a permanent part of these minutes)

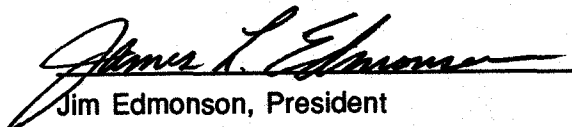
**Engineer's  
Report**

No report necessary.

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
Jim Edmonson, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Ed Reed, Director

1990/91 ACTUAL - 1991/92 PROPOSED BUDGET SUMMARY

ACCOUNT TITLE	1990/91 Projected Year End	1990/91 BUDGET	91/92 Proposed Budget	91/92 Proposed 5% Increase
<b>REVENUES</b>				
Service Revenues	1,470,699	1,550,621	1,470,000	1,542,276
Tap Connection Fees	4,963	7,000	7,000	7,000
Other Revenues	11,701	15,000	14,000	14,000
<b>TOTAL REVENUES</b>	<b>1,487,363</b>	<b>1,572,621</b>	<b>1,491,000</b>	<b>1,563,276</b>
<b>EXPENDITURES</b>				
Water Purchased	365,464	411,000	365,500	365,500
Personnel Cost	448,074	481,508	480,144	480,144
Professional Fees	33,742	40,000	40,000	40,000
Purchased & Contracted	57,429	62,000	63,900	63,900
Consumable Supplies	87,315	87,800	90,700	90,700
Recurring Operations	163,440	177,180	182,950	182,950
Capital Outlay	40,017	40,000	32,500	32,500
Transfer/ Capital Projects	291,882	273,133	235,306	307,582
<b>TOTAL EXPENDITURES</b>	<b>1,487,363</b>	<b>1,572,621</b>	<b>1,491,000</b>	<b>1,563,276</b>
<b>CAPITAL PROJECTS</b>				
<b>Fund Balance/Beginning of Year</b>	<b>304,136</b>	<b>304,136</b>	<b>187,720</b>	<b>163,285</b>
Projected Transfer	291,882	273,133	235,306	307,582
1990 Projects	-39,042	-38,617		
Interest	16,000			
<b>Total Available</b>	<b>572,976</b>	<b>538,652</b>	<b>423,026</b>	<b>470,867</b>
Tank Maintenance	51,824	33,750	33,750	33,750
Contr-33,750, Paint-6250, Repair-10,000			16,250	16,250
91' Sewer Improvement Project*	330,135	254,117		
*\$10,585 Budgeted from Capital Impact Fund				
Beasley & Port St. Pump Station Project*		87,500	194,000	194,000
*194,000 budgeted from Capital Impact Fund				
'92 Water & Sewer Improvements				
Mercer & Farley-60,000, Seabreeze-110,000 (25,000 from CIF/water)				
Shibui Sands-20,000(48,000 from CIF/wate	3,297		205,200	205,200
<b>Total Expenditures</b>	<b>385,256</b>	<b>375,367</b>	<b>449,200</b>	<b>449,200</b>
<b>Fund Balance - End of Year</b>	<b>187,720</b>	<b>163,285</b>	<b>-26,174</b>	<b>21,667</b>



	1990/91		1991/92	1991/92
	Projected	1990/91	Projected	Proposed
	Year End	Budget	Budget	5% Increase
<b>Revenues:</b>				
Water Service	956,820	993,791	957,000	1,004,618
Sewer Service	396,077	427,330	396,000	415,800
Water Tap	2,458	3,500	3,500	3,500
Sewer Tap	2,505	3,500	3,500	3,500
Inspections	60	0	0	0
Reconnects	6,167	5,500	5,500	5,500
Other Service	759	0	0	0
MI Drilling	22,770	24,000	23,000	23,909
Brown & Root	39,372	50,000	39,500	41,341
Harbor Island	48,674	50,000	49,000	51,108
Bldg Permits	0	0	0	0
Interest	14,110	15,000	14,000	14,000
Sale of Material	53	0		
Sale of GFA	-2,931	0		
Cash	-1	0		
Other	575	0		
Activity Fund	-105	0		
<b>Total</b>	<b>1,487,363</b>	<b>1,572,621</b>	<b>1,491,000</b>	<b>1,563,276</b>
<b>Expenditures:</b>				
Total Water	365,464	411,000	365,500	365,500
<b>Personnel Cost:</b>				
Salaries	339,805	365,000	360,202	360,202
Retirement	23,973	26,390	26,043	26,043
Insurance	31,385	35,000	35,000	35,000
FICA	25,891	27,923	27,555	27,555
Workers Comp	22,178	20,196	25,844	25,844
Uniforms	3,815	4,500	4,000	4,000
TEC	1,027	2,500	1,500	1,500
<b>Total</b>	<b>448,074</b>	<b>481,508</b>	<b>480,144</b>	<b>480,144</b>
<b>Professional Cost:</b>				
Legal	5,060	10,000	10,000	10,000
Engineering	15,755	20,000	20,000	20,000
Auditing	9,500	10,000	10,000	10,000
Consultant	3,427	0	0	0

	1990/91		1991/92	1991/92
	Projected	1990/91	Projected	Proposed
	Year End	Budget	Budget	5% Increase
<b>Total</b>	33,742	40,000	40,000	40,000
<b>Purchased &amp; Contracted:</b>				
R&M System	10,584	13,000	13,000	13,000
R&M Equipment	19,656	20,000	20,000	20,000
R&M Trucks	1,644	1,000	1,000	1,000
R&M Meters	4,745	500	500	500
R&M Buildings	7,535	10,000	8,000	8,000
R&M Tools	277	500	500	500
R & M Grounds	9,159	10,500	14,400	14,400
Publications	222	500	500	500
Elections	0	1,000	1,000	1,000
Other Services	3,607	5,000	5,000	5,000
<b>Total</b>	57,429	62,000	63,900	63,900
<b>Consumable Supplies:</b>				
Fuel	9,233	11,000	11,000	11,000
R&M System	36,085	38,000	38,000	38,000
R&M Equipment	12,783	12,000	12,000	12,000
R&M Trucks	6,358	8,000	8,000	8,000
R&M Meters	629	500	500	500
R&M Buildings	5,870	5,000	5,000	5,000
R&M Tools	3,170	3,000	3,000	3,000
Chemicals	11,399	10,000	12,000	12,000
Lab	1,788	300	1,200	1,200
<b>Total</b>	87,315	87,800	90,700	90,700
<b>Recurring Operations:</b>				
Insurance	25,294	30,000	29,000	29,000
Electricity*	113,329	115,000	115,000	115,000
Telephone	4,435	6,000	6,000	6,000
Sanitation	719	600	750	750
Natural Gas	283	500	500	500
Mileage	365	1,000	1,000	1,000
Schools & Semin	916	2,000	2,000	2,000
TWC Assessment	0	0	7,000	7,000
Permits	3,000	3,000	3,000	3,000
Land-Lease	968	1,000	1,000	1,000
Other Expenses	4,730	5,500	5,000	5,000

	1990/91		1991/92	1991/92
	Projected	1990/91	Projected	Proposed
	Year End	Budget	Budget	5% Increase
Dues & Pub	1,127	1,200	1,200	1,200
Office Supplies	3,048	5,880	5,000	5,000
Postage	5,226	5,500	6,500	6,500
<b>Total</b>	<b>163,440</b>	<b>177,180</b>	<b>182,950</b>	<b>182,950</b>
<b>Capital Outlay Cost:</b>				
Wtr/Swr Taps	6,467	5,000	7,000	7,000
Vehicle	22,391	25,000	11,500	11,500
Maint Ofc Imp	0	0	8,000	8,000
Major Equip	11,159	10,000	6,000	6,000
<b>Total</b>	<b>40,017</b>	<b>40,000</b>	<b>32,500</b>	<b>32,500</b>
<b>Subtotal Exp</b>	<b>1,195,481</b>	<b>1,299,488</b>	<b>1,255,694</b>	<b>1,255,694</b>
<b>Capital Projects</b>				
<b>Transfer:</b>	<b>291,882</b>	<b>273,133</b>	<b>235,306</b>	<b>307,582</b>
<b>Total Exp</b>	<b>1,487,363</b>	<b>1,572,621</b>	<b>1,491,000</b>	<b>1,563,276</b>
Over/Under	0	0	0	0
<b>Fund Balance</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>

PERCENT INCREASE	0%	1%	2%	3%	4%	5%
<b><u>WATER REVENUE</u></b>						
MINIMUM	\$307,848	\$310,926	\$314,005	\$317,083	\$320,162	\$323,240
ADDITIONAL	\$759,788	\$767,386	\$774,984	\$782,582	\$790,180	\$797,777
TOTAL WATER REV	\$1,067,636	\$1,078,312	\$1,088,989	\$1,099,665	\$1,110,341	\$1,121,018
<b><u>SEWER REVENUE</u></b>						
MINIMUM	\$186,204	\$188,066	\$189,928	\$191,790	\$193,652	\$195,514
ADDITIONAL	\$209,796	\$211,894	\$213,992	\$216,090	\$218,188	\$220,286
TOTAL SEWER REV	\$396,000	\$399,960	\$403,920	\$407,880	\$411,840	\$415,800
OTHER REV	\$27,364	\$27,364	\$27,364	\$27,364	\$27,364	\$27,364
TOTAL REV	\$1,491,000	\$1,505,636	\$1,520,273	\$1,534,909	\$1,549,545	\$1,564,182
TOTAL EXP+ CAPITAL	\$1,517,174	\$1,517,174	\$1,517,174	\$1,517,174	\$1,517,174	\$1,517,174
<b><u>DEFICIT/EXCESS</u></b>	<u>(\$26,174)</u>	<u>(\$11,538)</u>	<u>\$3,099</u>	<u>\$17,735</u>	<u>\$32,371</u>	<u>\$47,008</u>
 <b>WATER MINIMUM</b>	 \$9.50	 \$9.60	 \$9.69	 \$9.79	 \$9.88	 \$9.98
<b>WATER RATE</b>	\$2.00	\$2.02	\$2.04	\$2.06	\$2.08	\$2.10
 <b>SEWER MINIMUM</b>	 \$9.50	 \$9.60	 \$9.69	 \$9.79	 \$9.88	 \$9.98
<b>SEWER RATE</b>	\$1.00	\$1.01	\$1.02	\$1.03	\$1.04	\$1.05
 <b>MIN BILL ON 3/4" MTR</b>	 \$19.00	 \$19.19	 \$19.38	 \$19.57	 \$19.76	 \$19.95
<b>TOTAL WITH 10K USE</b>	\$34.00	\$34.34	\$34.68	\$35.02	\$35.36	\$35.70

**1991/92 Approved Wage Schedule**

EMPLOYEE	EMPLOYMENT DATE	ANNUAL WAGES	HOURLY RATE
<b>Maintenance</b>			
Holman, G.K.	04-01-77	26,811.20	12.89
Young, Mark	11-16-83	25,584.00	12.30
Gomez, Adan	02-22-80	23,961.60	11.52
Rochester, Mark	08-31-81	21,278.40	10.23
Mathews, Pat	10-20-80	20,800.00	10.00
Hinojosa, David	10-01-85	17,596.80	8.46
Talley, Ted	10-01-85	17,867.20	8.59
Claypool, Kenneth	12-17-90	13,062.40	6.28
Patty James	07-08-91	12,480.00	6.00
New Employee		12,480.00	6.00
New Employee		12,480.00	6.00
<b>Wastewater Treatment Plant</b>			
Wilcox, Lewis	06-03-83	19,780.80	9.51
McKinney, John	03-11-91	13,062.40	6.28
<b>Office</b>			
Moss, Mary	07-19-82	25,064.00	12.05
Mendoza, Stacy	07-21-89	15,745.60	7.57
<b>Administrative</b>			
Vela, Rudy	07-01-67	37,427.00	17.99
Sherrill, Nona	07-24-72	39,711.00	19.09
SUBTOTAL		355,192.40	
OVERTIME		5,000.00	
TOTAL		360,192.40	

**MINUTES OF  
REGULAR MEETING  
AUGUST 7, 1991**

**STATE OF TEXAS** §

**COUNTY OF NUECES** §

On the 7th day of August 1991, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Regular Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	President	Jim Edmonson
	Vice President	George S. Hawn
	Director	Al Mora
	Director	Ed Reed
Absent:	Secretary	Charles Brown
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
	Employee	Mark Rochester
Visitor:	South Jetty News	Murray Judson

The meeting was called to order at 5:00 P. M. by the presiding officer, Mr. Edmonson, pursuant to the notice posted.

**Service  
Award**

Mr. Edmonson presented employee Mark Rochester with an Achievement Award for ten (10) years outstanding service.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Mora to approve the minutes of the May 31st, 1991 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Jim Atwill  
Contract**

Mrs. Sherrill presented a renewal of the attorney employment agreement for Mr. Atwill. A motion was made by Mr. Reed and seconded by Mr. Mora to approve the contract as presented. The motion carried unanimously.

**1991  
Tax Rate  
\$.08588**

Mrs. Sherrill presented the 1991 Tax Rate Study. After discussion, Mr. Edmonson presented a Resolution and Order setting the Advalorem Tax Rate. A motion was made by Mr. Reed and seconded by Mr. Mora to adopt the 1991 Advalorem Tax Rate of \$0.08588. The motion carried unanimously. (A copy of the Resolution and Order is attached and becomes a permanent part of these minutes).

**1992 Sewer  
Imprvment  
Project**

Mr. Urban reviewed the Sewer Improvement Project for 1991 and the projected 1992 Water and Sewer Improvements. After discussion, a motion was made by Mr. Hawn and seconded by Mr. Mora to approve the improvements for 1992 and to authorize the preparation of plans and specifications and the bid process for Mercer, White, Oakes and Farley Streets as required by the City's paving schedule. The motion carried unanimously.

**Financial  
Report**

Mrs. Sherrill presented the financial report for April, May and June. A motion was made by Mr. Mora and seconded by Mr. Reed to approve the report as presented. The motion carried unanimously.

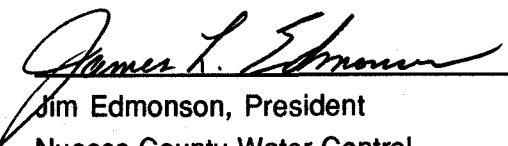
**Engineer's  
Report**

No report necessary.

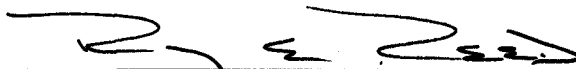
**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
Jim Edmonson, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Ed Reed, Director

NUECES COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

**RESOLUTION AND ORDER  
SETTING THE 1991 TAX RATE**

On the 7th day of August 1991, the Board of Directors of the Nueces County Water Control and Improvement District No. 4, convened in a regular meeting being open to the public at the regular meeting place thereof in said District, with the following members of the board present:

President	James L. Edmonson
Vice President	George S. Hawn
Director	Ed Reed
Director	Al Mora

and the following absent:

Secretary	Charles Brown
-----------	---------------

constituting a quorum, and among other proceedings had, were the following;

The President of the Board presented a resolution and order setting the tax rate for the year 1991. Minutes of August 7th, 1991 meeting reflect the tax rate for the year 1991.

The resolution and order was read in full and, after full discussion thereof, Ed Reed made a motion that it be adopted. The motion was seconded by Al Mora. The motion, carrying with it the adoption of the resolution and order, prevailed by the following vote:

Ayes: - 4 -

Nayes: - 0 -

The President then declared the resolution and order finally passed and adopted. The resolution and order is as follows:

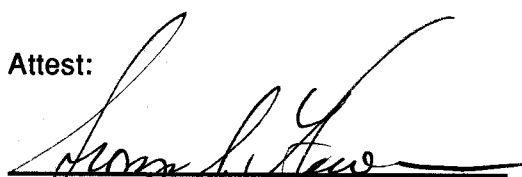
**BE IT ORDERED BY THE BOARD OF DIRECTORS OF THE NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4:**

There is hereby levied on each one hundred dollars of the assessed value of all property, both real and personal, within the boundaries of the Nueces County Water Control and Improvement District No. 4, except such property as may be by law exempt from taxation, a tax rate of \$0.08588 per each one hundred dollars assessed valuation for the purpose of meeting the requirements of said District for the fiscal year ending 1992.

Passed and approved by the Board of Directors of the Nueces County Water Control and Improvement District No. 4 on the 7th day of August, 1991.

  
James L. Edmonson, President  
Board of Directors

Attest:

  
George S. Hawn, Vice President



**MINUTES OF  
REGULAR MEETING**

**MAY 31, 1991**

**STATE OF TEXAS**

§

**COUNTY OF NUECES**

§

On the 31st day of May 1991, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Regular Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

	Vice President	George S. Hawn
	Director	Al Mora
	Director	Ed Reed
Absent:	President	Jim Edmonson
	Secretary	Charles Brown
Staff:	Manager	Nona Sherrill
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
	Attorney	Jim Atwill
Visitors:	Mayor, City of Port Aransas	J. C. Barr
	Manager, City of Port Aransas	Gordon Beck

The meeting was postponed due to lack of quorum and rescheduled for 5:00 P.M., June 4, 1991. The meeting was called to order as rescheduled by the presiding officer, Mr. Hawn, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Mora and seconded by Mr. Reed to approve the minutes of the February 6th, 1991 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Water  
Study**

Mr. Atwill discussed the findings of a water rate study by Rimrock Consulting Company. No action was taken.

**Public  
Hearing**

Mr. Hawn opened the public hearing on the petition from Martin Allen to add 20 acres of land, more or less, situated on Mustang Island, Nueces County, Texas to the District. As there was no opposition to the petition, the public hearing was closed.

**Petition  
Allen**

*Annexation*  
A motion was made by Mr. Mora and seconded by Mr. Reed to approve the petition from Martin Allen and execute the Utility Service Agreement accepting the annexation of land into the District as described in the attached petition. The motion carried unanimously.

**Harbor  
Island  
Contracts**

Mrs. Sherrill requested authorization to execute the renewal contract documents (reflecting no change) for Brown & Root, Inc., Harbor Island Terminal, Inc. and M-I Drilling Fluids. A motion was made by Mr. Mora and seconded by Mr. Reed to approve Mrs. Sherrill's execution of renewal contracts as requested. The motion carried unanimously.

**Personnel  
Policy  
Amendment**

Mrs. Sherrill presented proposed amendments to the personnel policy as outlined in bold below;

**PROHIBITED ITEMS AND SUBSTANCES**

It is the policy of the District to maintain a work environment that is safe as well as conducive to job performance. Consistent with this policy, the following items and substances and their use are prohibited on District property or in the possession of District's employees or its contractors' employees at any place while performing assigned duties for the District:

Liquor, **beer** or other intoxicating beverages  
Unauthorized explosives  
Knives, firearms or other weapons  
Prohibited drugs  
Drug paraphernalia  
**Inhalants;**

A prohibited drug is any drug which the use, possession, transfer or storage thereof is illegal or any drug, including a prescription drug, the prior use of which has not been approved by a medical doctor. Prolonged use (3 days or more) of all medication must be reported to the District supervisor. Drug paraphernalia is any item which has been used, or is commonly known to be used, for the administering, transferring, or storing of a prohibited drug.

The District reserves the right to determine what items and substances are prohibited. Entry upon District property, including land, buildings, structures installations, and vehicles, is conditioned upon the right by the District to inspect all persons and their possessions for any prohibited items and substances. Any person who is found to be in violation of this policy will be subject to appropriate disciplinary action including discharge.

The District has a Major Health Insurance program which provides coverage for the treatment of drug and alcohol abuse rehabilitation. Every permanent employee is enrolled in this program and is provided the necessary information. The District Manager will assist any employee in obtaining information concerning drug and alcohol abuse education and treatment programs.

**OTHER EMPLOYEE RELATIONS - (Section 7)**

**DUAL EMPLOYMENT**

1. An employee of the District may also be employed by private business provided the following conditions are met:
  - a. There can be no conflict of interest between the position held with the District and the position held in private business.
  - b. The time spent working with private business can in no way interfere with or affect an employee's ability to perform the duties with the District for which they were employed.
  - c. Absolutely no time will be spent on any work related to the position held with private business during the working hours scheduled by the District for the employee concerned.
  - d. The use of District facilities or equipment is strictly prohibited for work other than District related.

2. If an employee of the District, who is also employed by or desires to seek additional employment with private business, has any doubt regarding their compliance with the conditions outlined in this policy, they should write a letter explaining the facts pertaining to the position held. Such letters will be addressed to the Manager of the District, who will forward the letter with recommendation to the Board of Directors for final approval.

A motion was made by Mr. Reed and seconded by Mr. Mora to approve the amendments to the Personnel Policy as submitted by Mrs. Sherrill. The motion carried unanimously.

**Effluent**

**Agreement**

Mr. Urban reviewed the proposed Effluent Agreement prepared by the City of Port Aransas. After discussion, the Board mutually agreed to send a letter of commitment to the City of Port Aransas until such time as agreement is required.

**Pump Sta**

**Imprvmn't**

Mr. Urban gave a report on the 1991 Pump Station Improvements Project with a cost estimate of \$250,000. A motion was made by Mr. Mora and seconded by Mr. Reed to approve the project as submitted and to authorize the staff to proceed with the bid process as required. The motion carried unanimously.

**Financial**

**Report**

Mrs. Sherrill presented January, February, March and April financial statements and a proposed amendment to the Capital Project Fund Budget (1991 Sewer Improvement Project - \$254,117). A motion was made by Mr. Mora and seconded by Mr. Reed to approve the financial reports and the budget amendment as presented. The motion carried unanimously.

**Engineer's**

**Report**

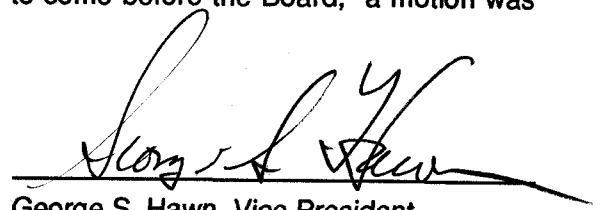
Mr. Urban gave a report on District related business. (A copy of this report is on file in the District's office)

**Manager's**

**Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.



George S. Hawn, Vice President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:



Ed Reed, Director

PETITION TO ADD LAND TO  
NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 4

THE STATE OF NEW HAMPSHIRE§

COUNTY OF HILLSBOROUGH § KNOW ALL MEN BY THESE PRESENTS:

THAT, THE UNDERSIGNED, Martin Allen, et ux, Mildred F. Allen, Mountain Trolley Farm, Mountain Base Road, Goffstown, N.H. 03045, are the owners of that certain 20.00 acres of land, more or less, situated on Mustang Island, Nueces County, Texas and more particularly described by metes and bounds on Exhibit A attached hereto and made a part hereof, said property being hereinafter referred to as "the 20 Acre Tract",

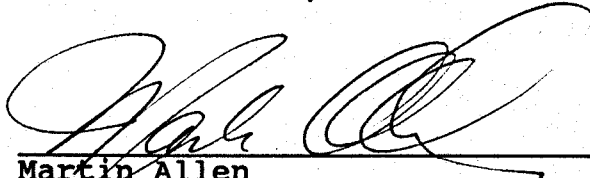
That Martin Allen, et ux, Mildred F. Allen, as the owners of the 20.00 acre tract do hereby in accordance with Sections 51.714-51.717 of the Water Code of the State of Texas and subject to the execution of a Utility Service Agreement file this petition with the Board of Directors of the Nueces County Water Control and Improvement District No. 4 requesting that the 20.00 acres of land described by metes and bounds on Exhibit A attached hereto be included in Nueces County Water Control and Improvement District No. 4;


That the District has the capacity to serve with water and sewer the land sought to be added to said District and can be added to said District without injuring the land already in the District.

ROLL 419 IMAGE 487

That Martin Allen, et ux, Mildred F. Allen, request that the Board of Directors set a time and date to hear and consider this petition and at the conclusion of said hearing, add the 20.00 acres of land described in Exhibit A attached hereto to the Nueces County Water Control and Improvement District No. 4.

Executed this 6<sup>th</sup> day of February, 1991.

  
Martin Allen

  
Mildred F. Allen

STATE OF NEW HAMPSHIRE §

COUNTY OF HILLSBOROUGH §

BEFORE ME, the undersigned authority, appeared Martin & Mildred F. Allen known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of Martin & Mildred F. Allen.

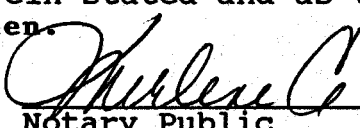
  
Notary Public  
State of New Hampshire  
Notary's Name: MERLENE C. TROTTER  
Commission Expires June 3, 1992

EXHIBIT A

All that certain 20,000 acre, more or less, tract of land situated in Nueces County, Texas and being a portion of the J.W. Waterbury Survey 596, Abstract No. 408, Land Script 167, said tract being more particularly described as follows:

BEGINNING at the intersection of the southeasterly right-of-way line of a public roadway known as Park Road No. 53, as described by right-of-way easement filed in Volume 620, Page 585 of the Deed Records, Nueces County, Texas, with the northeasterly boundary line of said Survey 596, Abstract No. 408, said point being the northwesterly corner of this tract and the POINT OF

THENCE S 58 deg. 22' 00" E, along said northeasterly boundary line of said Survey 596, Abstract No. 408, a distance of 1749.78 feet to a point for the northeasterly corner of this tract, said point also being the northeasterly corner of said Survey 596, Abstract No. 408;

THENCE S 30 deg. 48' 50" W, along the southeasterly boundary line of said Survey 596, Abstract No. 408, a distance of 498.56 feet to a point for the southeasterly corner of this tract;

THENCE N 58 deg. 22' 0" W, a distance of 1745.45 feet to a point in the southeasterly right-of-way line of said Park Road No. 53, said point being the southwesterly corner of this tract;

THENCE N 30 deg. 19' 00" E, along said right-of-way line a distance of 498.64 feet to the POINT OF BEGINNING.

ROLL 419 PAGE 489

DATE OF FILING AND HEARING

On this 24th day of May, 1991, the attached petition of Martin Allen and wife, Mildred F. Allen, to include land within the District was filed and a hearing to consider said petition has been set for the 31st day of May, 1991, at 5:00 o'clock p.m. at the office of the District, Port Aransas, Texas.

NUECES COUNTY WATER CONTROL &  
IMPROVEMENT DISTRICT NO. 4

By Charles J. Brown  
Charles J. Brown, Secretary

ENGINEER'S CERTIFICATION

The undersigned, as engineer for the Nueces County Water Control & Improvement District No. 4, has examined the attached petition of Martin Allen and wife, Mildred F. Allen, to add certain lands therein described to the District and is of the opinion that the water supply and other improvements of the District are sufficient to supply the added land without injuring land already in the District.

SIGNED this 13 day of MAY, 1991.

URBAN ENGINEERING

By James L. Urban  
James L. Urban

APPROVAL OF PETITION

On this 31st day of May, 1991, at a duly called meeting at which a quorum was present, the attached petition of Martin Allen and wife, Mildred F. Allen, to add and include within the District land owned by them was heard and considered by the Board of Directors of the Nueces County Water Control & Improvement District No. 4. After discussion and upon certification by the District's engineer, it was decided that it would be to the advantage of the District to add the land described in the petition of Martin Allen and wife, Mildred F. Allen, to the District and that the District's water supply and other improvements are sufficient to supply the added land without injuring land already in the District. Thus, by motion duly made, seconded and passed, the attached petition of Martin Allen and wife, Mildred F. Allen, to add the land therein described to the Nueces County Water Control & Improvement District No. 4 was granted.

Directors voting "yea"

---

 George S. Hawn
 

---



---

 Ed Reed
 

---



---

 Al Mora
 

---

Directors voting "no"



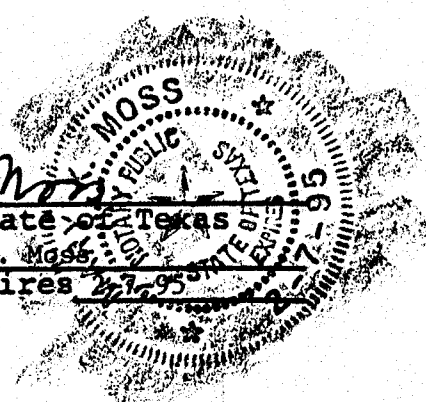
THE STATE OF TEXAS §

COUNTY OF NUECES §

BEFORE ME, the undersigned authority, on this day personally appeared George S. Hawn, Ed Reed, and Al Mora, known to me to be the directors of the Nueces County Water Control & Improvement District No. 4, whose names are subscribed to the foregoing instrument, and acknowledged to me that they each voted on the motion to grant the petition of Martin Allen and wife, Mildred F. Allen, in the manner indicated and that they each executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 31st day of May, 1991.

*Mary K. Moss*  
Notary Public, State of Texas  
Print name Mary K. Moss  
My commission expires 2-7-95



FILED FOR RECORD

JUL '91 4 29 PM '91

*Shirley Hawn*  
COUNTY CLERK NUECES COUNTY TX

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of Race, Color, Religion, Sex, Handicap, Familial Status or National Origin, is invalid and unenforceable under FEDERAL LAW, 3/12/89.

STATE OF TEXAS  
COUNTY OF NUECES

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me, and was duly RECORDED, in the Volume and Page of the named RECORDS of Nueces County, Texas as stamped hereon by me, on

JUL 5 1991



*Shirley Hawn*  
COUNTY CLERK  
NUECES COUNTY, TEXAS

300 Nueces County Water Control & Improvement District #4 P.O. Box 128 Port Aransas, TX 78373

COMPARED

763364

**MINUTES OF  
REGULAR MEETING  
FEBRUARY 6, 1991**

**STATE OF TEXAS** §

**COUNTY OF NUECES** §

On the 6th day of February 1991, the Board of Directors for the Nueces County Water Control & Improvement District No. 4 convened at 5:00 P.M. in a Regular Meeting at the District Office, 315 South Ninth Street, Port Aransas, Texas, there being present and in attendance the following to wit:

President	Jim Edmonson
Vice President	George S. Hawn
Secretary	Charles Brown
Director	Ed Reed

Absent:	Director	Al Mora
---------	----------	---------

Staff:	Manager	Nona Sherrill
	Auditor	Gary Davenport
	Engineer	Jim Urban
	Executive Secretary	Mary Moss
	Superintendent	Rudy Vela
	Attorney	Jim Atwill

Visitors:	Island State Bank	Libby Muffoletto
	Jim Rosson	Developer
	Jerry Brundrett	Engineer for Rosson

The meeting was called to order by the presiding officer, Mr. Edmonson, pursuant to the notice posted.

**Minutes**

A motion was made by Mr. Hawn and seconded by Mr. Reed to approve the minutes of the November 28th, 1990 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

**Water  
Design  
Standards  
(Rosson)**

Mr. Jerry Brundrett, P. E., presented a request by Mr. Jim Rosson, to amend the District's Design Standards regarding water line requirements. After discussion, Mr. Brown made a motion to confirm the District's original options as submitted to Mr. Rosson in a letter dated, October 4, 1989, from District's engineer, Jim Urban, therefore denying the amendment. The motion was seconded by Mr. Hawn. The motion carried unanimously.

**Depository  
1991/93**

Bids were received and opened January 31, 1991, as advertised for 1991/93 Depository. Two banks placing bids were American National Bank and Island State Bank. After review by the staff, Mrs. Sherrill recommended that the high bid be awarded to American National Bank. A motion was made by Mr. Reed and seconded by Mr. Brown to accept the high bid from American National Bank as 1991/93 Depository upon approval from the Nueces County Judge, Robert N. Barnes. The motion carried unanimously, with George Hawn abstaining from the vote.

**1991 Sewer  
Impv'm't** One bid was received and opened February 5, 1991, as advertised for the 1991 Sewer Improvement Project. After review by the staff, Mr. Urban recommended that Larson Plumbing be awarded the contract for \$254,117. A motion was made by Mr. Brown and seconded by Mr. Reed to award the bid as recommended to Larson Plumbing Company. The motion carried unanimously.

**1989/90  
Audit  
& 91/93  
Audit** Mr. Davenport presented the 1989-90 Audit and complimented the staff for their efficient manner in assisting with the audit. A motion was made by Mr. Reed and seconded by Mr. Hawn to accept the audit as presented. The motion carried unanimously.

The 1991/93 audit contract with Kosarek & Davenport, CPA's, was also presented by Mr. Davenport for a three year period at \$8,500 per year. Mr. Hawn moved that the contract be approved as presented. The motion was seconded by Mr. Reed. The motion carried unanimously.

**Resolution  
Supporting  
Annexation  
Legislation** After discussion, a motion was made by Mr. Reed and seconded by Mr. Brown to adopt a resolution supporting the annexation legislation proposed by the City of Port Aransas. The motion carried unanimously. (The resolution is attached and becomes a permanent part of these minutes)

**Study-  
Water  
Rate** Mr. Atwill presented his findings on local water rates and recommended a preliminary review be made by an outside firm. The Board directed the staff to proceed with preliminary review, not to exceed \$3,000.

**1989/90  
Status  
Report** The 1990 District Status Report, as required annually by the Texas Water Commission, was presented for approval by Mrs. Sherrill. A motion was made by Mr. Reed and seconded by Mr. Brown to approve the report as presented. The motion carried unanimously.

**Surplus  
Sale** A list of items to be sold as 'surplus' was prepared by the staff and sent to the Directors for review. A motion was made by Mr. Reed and seconded by Mr. Brown to authorize the sale of surplus items. The motion carried unanimously.

**Sewer  
Use  
Resolution  
Amendment** Mrs. Sherrill presented the following amendment to the Sewer Use Resolution;  
  
SECTION J (4) - Amendment

The owner of all houses, buildings, or properties used for human occupancy, employment, recreation or other purposes situated within the District and abutting any street, alley or right-of-way in which there is now located or may in the future be located a public sewer or combined sewer of the District, is hereby required at his expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper public sewer in accordance with the provisions of this resolution, within ninety (90) days after date of official notice to do so, provided that said Public Sewer is within one hundred (100) feet of the property line, **except in the case of a single family residences located on tracts greater than 1 acre in size and when the sewer line is further than 200 feet from the structure being served. In such cases, the property owner may make application for a private sewer system which is outlined in SECTION P of the this resolution.**

A motion was made by Mr. Reed and seconded by Mr. Brown to approve the amendment as presented. The motion carried unanimously.

**Financial  
Report**

Mrs. Sherrill presented the November and December financial statement for the General Operating Fund, the October, November and December statements for the Capital Impact Fund and the Debt Service Fund. A motion was made by Mr. Mora and seconded by Mr. Reed to approve the financial reports as presented. The motion carried unanimously.

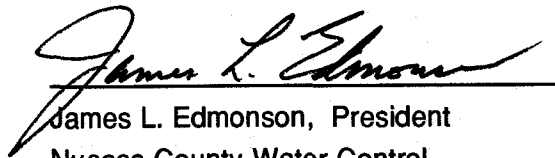
**Engineer's  
Report**

Mr. Urban gave a report on District related business. (A copy of this report is on file in the District's office)

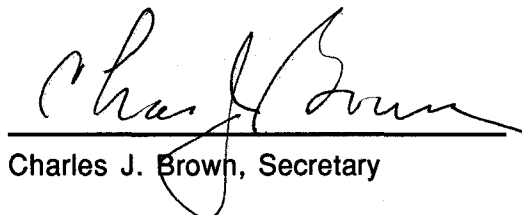
**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
James L. Edmonson, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Charles J. Brown, Secretary

**RESOLUTION SUPPORTING THE CITY OF PORT ARANSAS  
IN ITS PLANS FOR ANNEXATION LEGISLATION**

**WHEREAS**, the City of Port Aransas ("City") desires to annex the area of Mustang Island lying between the southern boundary of the City and the northern boundary of Mustang Island State Park ("Mustang Island"); and

**WHEREAS**, the City and the Nueces County Water Control & Improvement District No. 4 ("District") have had a harmonious working relationship for many years; and


**WHEREAS**, the District already provides water and sewer service to the area contemplated for annexation by the City and the City already provides fire protection and emergency medical services in such area; and

**WHEREAS**, the citizens of the Mustang Island area have expressed a desire to be in the city limits of Port Aransas as all of their current services and amenities are tied to or originate from Port Aransas.

**NOW, THEREFORE, BE IT RESOLVED** that:

The Board of Directors of the Nueces County Water Control & Improvement District No. 4 supports the City of Port Aransas in its plans for annexation of the Mustang Island area, endorses H.B. 976, a copy of which is attached hereto, and requests that our State Senator Carlos Truan and State Representatives Todd A. Hunter, Hugo Berlanga, Eddie Cavazos, and Robert Earley, as well as all other area wide legislators support and vote for such legislation.

SIGNED this 6<sup>th</sup> day of February, 1991, at Port Aransas, Texas.

  
JAMES L. EDMONSON, President

  
CHARLES J. BROWN, Secretary

## A BILL TO BE ENTITLED

## AN ACT

relating to municipal extraterritorial jurisdiction on an accessible gulf island.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 42, Local Government Code, is amended by adding Section 42.903 to read as follows:

Sec. 42.903. EXTRATERRITORIAL JURISDICTION ON ACCESSIBLE GULF ISLAND. The extraterritorial jurisdiction of a municipality with a population of 200,000 or more does not include land:

(1) on an island bordering the Gulf of Mexico that is accessible by both a public road and a common carrier ferry facility; and

(2) that receives water service from a political subdivision other than the municipality.

SECTION 2. If, immediately before the effective date of this Act, the extraterritorial jurisdiction of a municipality with a population of 200,000 or more includes land described by Section 42.903, Local Government Code, as added by this Act, the boundaries of the extraterritorial jurisdiction are revised on that date to exclude that land.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

**STATE OF TEXAS**                                 **S**

**COUNTY OF NUECES**                                 **S**

The meeting was postponed due to lack of quorum and rescheduled for 5:00 P.M., December 4, 1990. The meeting was called to order as rescheduled by the presiding officer, Mr. Edmonson, pursuant to the notice posted.

A motion was made by Mr. Mora and seconded by Mr. Reed to approve the minutes of the September 26, 1990 meeting. The motion carried unanimously. (The minutes were mailed to each director prior to the meeting.)

Mr. Reed made a motion to renew the employment contract of C. Edwin Prichard, Jr., attorney for the District, for 1991. The motion was seconded by Mr. Mora and carried unanimously.

A motion was made by Mr. Mora and seconded by Mr. Reed to authorize the staff to advertise the 1991/93 Depository Bids. The motion carried unanimously.

Mr. Urban gave a report on the 1991 Sewer Improvement Project with a cost estimate of approximately \$206,022.50. Mr. Reed made a motion to authorize the staff to proceed with the bid process. The motion was seconded by Mr. Mora and carried unanimously.

Mrs. Sherrill presented the October financial statement for the General Operating Fund. A motion was made by Mr. Mora and seconded by Mr. Reed to approve the report as presented. The motion carried unanimously.

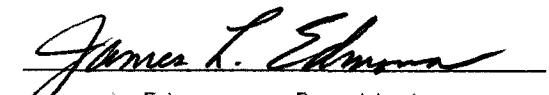
**Engineer's  
Report**

Mr. Urban gave a report on District related business. (A copy of this report is on file in the District's office)

**Manager's  
Report**

Mrs. Sherrill reported on routine business of the District. (A copy of this report is on file in the District's office)

As there was no further business to come before the Board, a motion was duly made and seconded to adjourn.

  
James L. Edmonson, President  
Nueces County Water Control  
& Improvement District No. 4

ATTEST:

  
Al Mora, Director