

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

January 18, 2016

STATE OF TEXAS §
COUNTY OF HARRIS §

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 132 (the "District") met in regular session at the designated meeting place of the Board, the Harris County W.C.I.D. No. 132 Water Plant, 4107 Evening Trail, Spring, Texas 77388, on the 18th day of January 2016, at 5:30 p.m. The roll was called of the duly constituted officers and members of the Board, to-wit:

William R. Papp	President
Peggy Batson	Secretary
T. Gary Toll	Assistant Secretary
Mary Bonetati	Assistant Secretary
Terry Williams	Director

All members of the Board were present, except Dir. Batson, thus constituting a quorum.

Also present were resident Rose Marie Garrett; Rene Anadel of Wheeler & Associates, Inc., the District's Tax Assessor/Collector ("Tax Assessor/Collector"); Maria Salinas Parker of Sanford Kuhl Hagan Kugle Parker Kahn, LLP, the District's Attorneys ("Attorney"); Tony Sarman of AEI Engineering, LLC, the District's Engineer ("Engineer"); Andy Phelps and Johnson Ashcraft of Environmental Development Partners ("EDP"), the District's Operator ("Operator"); Cindy Schmidt, the District's Bookkeeper ("Bookkeeper"); and Sherry Allard, the District's Recording Secretary ("Recording Secretary").

The President called the meeting to order at 5:30 p.m., at which time the following business was transacted.

REVIEW AND APPROVE TAX ASSESSOR/COLLECTOR'S REPORT, INCLUDING:

Approval of Report and Payment of Bills from Tax Account

Ms. Anadel disseminated to and reviewed with the Board the Tax Assessor/Collector report, a copy of which is attached hereto as a part hereof. The checks from the tax account were presented for approval.

Report on Status of Tax Collections, Authorize Termination of Water Service to Delinquent Tax Accounts

The Tax Assessor/Collector then reviewed with the Board the Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Delinquent Tax Attorney") report, a copy of which is attached as a part hereof. After review, upon motion made, seconded, and unanimously carried, the Board approved the Investment Report, Bookkeeper's Report, and the checks enumerated therein.

The Board voted to change the agenda order to review and approve prior meeting minutes, motion having been made, seconded, and unanimously carried.

APPROVE MINUTES OF NOVEMBER 4, 2015, NOVEMBER 16, 2015, DECEMBER 2, 2015, DECEMBER 21, 2015, AND JANUARY 6, 2016

After review, upon motion made and seconded, the Board voted to approve the November 4, 2015 minutes, as amended. The minutes of the December 21, 2015 regular meeting were approved, subject to final review by the attorney, motion having been made, seconded, and unanimously carried. The January 6, 2016 Garden meeting minutes were approved as prepared, after motion was made, duly seconded, and carried. The December 2, 2015 meetings' minutes were deferred.

Upon motion made, seconded, and unanimously carried, the Board returned to the order of the day.

APPROVE BOOKKEEPER'S REPORT, INCLUDING:

Authorizing payment of District bills

Ms. Schmidt disseminated to, and reviewed with, the Board the Bookkeeper's report, a copy of which is attached to these minutes as a part hereof for all purposes. The Board, upon motion made and seconded, voted to have check number 443 voided, as the District no longer has a contract with Mr. Dulin.

Approval of Investment Report

The Bookkeeper then discussed the Investment Report. The Board voted unanimously to approve the Bookkeeper's Report, motion having been duly made and seconded.

CONSIDER AND ACT UPON OPERATOR'S REPORT, including:

The Operator, a copy of whose report is attached as a part of these minutes, informed the Board that he was in receipt of the Harris County Radio Agreement ("Radio Agreement"). After review, upon motion made, seconded, and unanimously carried, the Board approved the Radio Agreement, subject to final review and approval by the Attorney.

Authorization for Operator to Terminate Water and Sewer Service to Certain Delinquent Accounts for Non-Payment of Water and Sewer Bills

The Board's review of delinquent accounts indicated balances owing are greater than deposits. The President asked that the Board consider, at the next meeting, amending the Rate Order to increase deposits. After motion was made and seconded, the Board voted to start the disconnect process with door hangars for 76 delinquent account holders cited in the report.

CONSIDER AND ACT ON ENGINEER'S REPORT, including:

Bond Application

Mr. Sarman reviewed with the Board the Engineer's report, a copy of which is attached hereto as a part hereof. His comments on the second draft of the Preliminary Official Statement will be forwarded to the Attorney, he stated.

Approve requests for water and sewer service

Mr. Phelps stated that he closed out the old Kelsey Seybold account and will forward to them their refund. The Board instructed the Operator to disconnect service at that facility until the new owner officially requests it. The Engineer was asked to contact the owner, email him a copy of the District's Rate Order, and inform him of the deposit required of developers in this District.

Authorize Repair and Maintenance Projects within the District

Mr. Sarman discussed the site for installing an emergency generator at the WCID #132 Water Plant. The Board felt that a better site could be selected by using a smaller 'footprint' for the generator. The Board asked Mr. Sarman to review the matter.

Mr. Phelps stated that he turned over to Mr. Sarman the matter of the overflowed sewer manholes. It does appear that tree roots are, and one (1) sagging area may be, involved, Mr. Sarman stated. The President noted that there is a separate agreement with Cypresswood Utility District ("CUD") for this particular line. The Board asked the Engineer to study and make recommendations for the best approach to the problem.

After review and upon motion and second being made, the Board approved the Engineer's Report.

ATTORNEY'S REPORT

Adopt Order Calling Directors Election

The Attorney then discussed the Directors Election. She stated that Dirs. Williams and Toll are up for election this year. They must file their candidate's application before February 19, 2016. If no other candidates have filed by 5:00 p.m. on this date, the Board may cancel the election and declare the unopposed Directors elected. After consideration, upon motion duly made and seconded, the Board voted unanimously to adopt the Order Calling the Directors Election.

Bond Application

The Attorney informed the Board that the Financial Advisor will attend the next Garden meeting to present bids for the Series 2016 bonds.

Legislative Update

The Attorney discussed the new law [House Bill 1295] that requires all entities contracting with, or amending an existing contract with, the District to fill out a Disclosure document. The Attorney stated that she will be setting up a website for filing and retaining such documents.

Approve Resolution Regarding Eminent Domain

After review with the Attorney, motion was made, seconded, and unanimously carried to approve the Resolution Regarding Eminent Domain.

CONSIDER AND ACT UPON REPORT RELATING TO GARDEN

Merry Mulching Project

The President thanked Ms. Garrett for collecting so many Christmas trees for the Merry Mulching program.

Discuss Public Education Seminars and Classes and take action related thereto

It was noted that Feb. 6, 2016 is the Composting Seminar presented by Ms. Fraser, who presented her proposal with Ms. Pomfret assisting. After consideration, upon motion duly made and seconded, the Board voted to accept the proposal. Dir. Bonetati stated that, if there are fewer than ten (10) participants, the Seminar will be held at the meeting place. If a larger group, the event will be held at Strack Middle School. A sub sandwich will be provided, Dir. Bonetati stated.

Maintenance Projects in Progress and take action related thereto

The Board asked the President to contact Adam to work for the District, or at least help train someone to manage the Garden. Ms. Garrett expressed a desire to work in the Garden, so the Board agreed to consider a proposal by her at the next meeting.

Discuss and approve Newsletter, Publicity

Dir. Williams asked about providing a quarterly newsletter to build interest in the Garden and share other activities of the District. The Board agreed to discuss it further next month.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, motion and second to adjourn at 8:08 p.m. carried.

PASSED AND APPROVED

February 15, 2016
Date

Peggy L. Batson
Peggy Batson
Secretary of the Board of Directors