

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

September 19, 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 19<sup>th</sup> day of September 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
Mary Bonetati	Vice President
Peggy Batson	Secretary
Terry Williams	Assistant Secretary
Pre Moss	Assistant Secretary

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

Also present were Rene Anadel of WHEELER & ASSOCIATES, INC., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); Anthea Moran of First Southwest Company, the District's Financial Advisor ("Financial Advisor"); Michael Murr, the District's Landscape Architect ("Landscape Architect"); Maria Salinas Parker, the District's Attorney ("Attorney") of Sanford Kuhl Hagan Kugle Parker Kahn, LLP ("SKLaw"); Tony Sarman of AEI ENGINEERING, LLC, ("AEI"), 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").

President Papp called the meeting, in accordance with law and notice posted, at 5:30 p.m., and the following business of the District was conducted.

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

**Approval of Report and Payment of Bills from Tax Account**

The President first called upon Ms. Anadel for the Tax Assessor/Collector's report, a copy of which is attached to these minutes and considered a part hereof for all purposes. She presented checks from the tax account for consideration and payment at this time.

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

Ms. Anadel reviewed tax delinquencies noted on the Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") Delinquent Tax Report, attached to her written report.

After discussion, upon motion made, seconded, and unanimously carried, the Board approved the Tax Assessor/Collector's report as presented.

After consideration, upon motion duly made and seconded, the Board voted in accord to suspend the agenda order to recognize the Financial Adviser.

**ATTORNEY'S REPORT, including**

**Discuss 2016 Tax Levy and Call Public Hearing**

Ms. Moran was asked to report as to the District's 2016 tax matters. She explained the process of setting the tax rate, publicly advertising the proposed rate, holding a public hearing, and setting the rate. As the District sold bonds this year, Ms. Moran noted, the tax rate may have both debt and maintenance and operations ("M&O") components.

After thorough discussion, upon motion duly made and seconded, the question being put to the Board, the Board voted in accord to 1) authorize the Tax Assessor-Collector to publish in a qualifying periodical the Board's intent to set the tax rate at \$0.44 per \$100 of assessed valuation ("AV"), composed of \$0.255 per \$100 of AV for the M&O portion and \$0.185 per \$100 of AV for the debt portion; and 2) call a public hearing regarding the tax rate, as required by law, for October 17, 2016.

A motion, duly seconded, to reinstate the agenda order, carried without dissent.

**APPROVE BOOKKEEPER'S REPORT, INCLUDING:**

**Authorizing Payment of District Bills**

The President then recognized Ms. Schmidt for presentation of the Bookkeeper's report, a copy of which is attached hereto as a part hereof for all purposes. She presented checks in payment of the District's bills for consideration by the Board. Pres. Papp noted that there was a mathematical error in one of the reimbursement requests [check 4369].

**Approval of Investment Report**

The Bookkeeper then reviewed with the Board the month's Investment report, a copy of which appends her report.

After review, upon motion made and seconded, the Board approved the Bookkeeper's Report, Investment Report, and the checks enumerated therein.

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

**APPROVE MINUTES OF AUGUST 15, 2016 AND AUGUST 24, 2016**

Approval of prior minutes was given next consideration by the Board. After review and upon motion made and seconded, the Board voted to approve the minutes of the August 15, 2016 and August 24, 2016 meetings as prepared.

**CONSIDER AND ACT UPON OPERATOR'S REPORT, including:**

**Authorize Repairs to Water Supply System and Wastewater Collection System**

Pres. Papp called upon the Operator, whose report is attached to these minutes as a part hereof. He stated that the lift pump #2 has been ordered, but has not yet arrived.

**Lead and Copper Sampling and Testing**

Mr. Phelps stated that the required sampling had been collected and tested and was within normal levels.

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

The Operator reported that there were ten (10) account disconnects last month. The one hundred twelve (112) delinquent accounts cited for non-payment of bills this month will be processed for termination, motion having been duly made, seconded and unanimously carried.

**CONSIDER AND ACT ON ENGINEER'S REPORT, including:**

**Emergency Generator at PJPA and MCC Project**

President Papp next asked Mr. Sarman for an engineering update. The Engineer's report, a copy of which is attached to these minutes, notes that the Engineer has received a letter from the Texas Commission on Environmental Quality ("TCEQ") approving the escrow release for the District's several construction and repair/maintenance projects. While the approved \$302,670 released does not fully cover the District's portion of the qualifying projects, the Engineer hopes this may be able to be accomplished upon completion of the sanitary sewer rehabilitation ("rehab").

**Emergency Generator at WCID #132 Water Plant**

The Engineer stated that he is finalizing plans and specifications ("specs") pertaining to the natural gas generator for agency review. Dir. Moss reported that bidding will occur in November, and the District will be seeking a container for the generator site.

**Sanitary Sewer Rehabilitation of Area D**

AEI will prepare the bid package once confirmation has been received from CUD of the status of joint lines not identified in the Joint Facilities Agreement.

**Sanitary Sewer Rehabilitation of Joint Lines**

Mr. Sarman stated that he received the go-ahead from the engineer of HCMUD 275 for design of the joint line project.

**Approve requests for water and sewer service**

No response has been received since Mr. Sarman forwarded the Rate Order and directions on the process for receiving service. Also neither plans nor deposit have been received from the developer.

**Emergency Preparedness Plan ("EPP")**

The Engineer continues to review the Plan for required updates.

**Harris County Outfall Erosion**

Notice was received from Precinct 4 that the damaged storm sewer is their responsibility.

After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Engineer's report as presented.

**CONSIDER AND ACT UPON ATTORNEY'S REPORT, continued:**

**Review and Approve Proposal to Renew District Insurance**

The Attorney stated that she had reviewed the proposal from Aquasurance LLC and saw no major changes. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Aquasurance LLC proposal.

**Discuss and Take Action on Reimbursement Policy**

The Board agreed to hold a special meeting on October 5, 2016 to consider amending its Policy relating to Fees of Office and Reimbursement.

**CONSIDER AND ACT ON LANDSCAPE ARCHITECT'S REPORT RELATING TO GARDEN, INCLUDING AUTHORIZATION OF PREPARATION OF PLANS, AWARD OF CONTRACTS, APPROVAL OF PAY ESTIMATES**

Mr. Murr showed the Board a sample sign that comes in various thicknesses for consideration for the Garden. He asked to put together a package of signs for discussion at the next meeting. He stated that in Phase II he would continue to clean out weeds. He intends to strengthen the walking structure with bricks and hopes to add plants to attract butterflies, he stated. After discussing his proposal, motion was made, seconded, and unanimously carried to approve Mr. Murr's proposal at a cost of \$813.00.

It was agreed that Pres. Papp, with Dir. Bonetati's assistance, would soon forward to Mr. Murr some of the water conservation ideas the Board has. It was discussed that photographs will

be needed to document many of the activities and seminars that have taken place in the Garden, in order to apply for AWBD Water Smart status.

**UPDATE ON WEBSITE**

The President stated that he gave the webmaster new information, and David is checking on domains. Pres. Papp also got him a digitized map.

**REPORT ON RWA ("the Authority")**

Dir. Moss reported that the Authority received \$25.26 million for its participation in the new water source project. The Authority approved lobbyist Bresnin's bill; an agreement with CenterPoint for \$179,000; a waterline easement of \$5.7 million; Directors were re-elected by acclamation.


**GARDEN ACTIVITIES**

Dir. Bonetati told the Board about an opportunity to teach water conservation practices to 7 or 8 Brownies, who will be earning merit badges. After review, upon motion made and second, the Board approved the Brownies event for November 2, 2016.

CITING NO ADDITIONAL BUSINESS BEFORE THE BOARD AT THIS TIME, the Board motioned, seconded and carried adjourning at 8:10 p.m.

PASSED AND APPROVED

*October*  
*August 15, 2016*  
Date

  
Peggy Batson  
Secretary of the Board of Directors