

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132  
MINUTES OF MEETING

August 20, 2018

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 inside the boundaries of the District, 4107 Evening Trail, Spring, Texas 77388, on August 20, 2018, at 5:30 p.m. The roll was called of the duly constituted officers and members of the Board, to-wit:

|                 |                     |
|-----------------|---------------------|
| Mary Bonetati   | President           |
| Peggy Batson    | Vice President      |
| Terry Williams  | Secretary           |
| Pre Moss        | Assistant Secretary |
| William R. Papp | Assistant Secretary |

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

Also present were Michael Murr with Murr Incorporated, Landscape Architect for the District; Rene Anel of Wheeler & Associates, Inc., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); Maria Salinas Parker and Ryan LaRue of Sanford Kuhl Hagan Kugle Parker Kahn, LLP, ("SKLaw") the District's Attorney ("Attorney"); Tony Sarman of AEI Engineering, LLC, ("AEI") the District's Engineer ("Engineer"); Andy Phelps with Environmental Development Partners ("EDP"), the District's Operator ("Operator"); and Cindy Schmidt and Tiffany Loggins with L&S District Services, LLC, the District's Bookkeeper ("Bookkeeper").

The meeting was called to order, and the following business was transacted.

**TAX ASSESSOR/COLLECTOR'S REPORT**

The Board recognized Ms. Anel, who presented the Tax Assessor/Collector's Report, a copy of which is on file in the official records of the District. She presented checks from the tax account for approval by the Board. It was noted that the District has collected 99.53% of its 2017 taxes.

Upon motion duly made, and seconded, the Board unanimously approved the Tax Assessor/Collector's Report as presented, and the check presented for payment.

**DELINQUENT TAX REPORT**

The Board recognized Ms. Anel, who reviewed with the Board the Delinquent Tax Report as submitted by Perdue Brandon Fielder Collins & Mott LLP ("PB"), a copy of which is on file in the official records of the District.

Upon motion duly made and seconded, the Board voted unanimously to approve the PB Delinquent Tax Report.

## **LANDSCAPE ARCHITECT REPORT/GARDEN REPORT**

The Board recognized Mr. Murr, who presented the Park Report, a copy of which is on file in the official records of the District. He reported that he continues to work with Kinder Morgan on the encroachment agreement. Mr. Murr reminded the Board that at the meeting on April 16, 2018, the Board voted to accept the proposal from Oasis Landscape subject to a final contract. Mr. Murr stated that Oasis has not delivered a conforming contract.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Landscape Architect's Report, (2) approve the Encroachment Agreement with Kinder Morgan subject to review and comment by the Attorney, (3) authorize the withdrawal to accept the offer from Oasis, and (4) accept the second low bid for the Park improvement submitted by Jinco.

## **BOOKKEEPER'S REPORT**

The Board recognized Ms. Schmidt, who submitted to and reviewed with the Board the Bookkeeper's Report. The Board noted the balances in each of the District's accounts and noted investments in each account. The Board then reviewed the activity in each account. The Board also reviewed the invoices and the checks prepared in payment thereof.

The Directors then reviewed: (1) the Cash Flow Report for the District's Operating Fund; (2) Investment Report, and (3) the Budget Comparison, copies of which are included with and/or attached to the Bookkeeper's Report.

It was noted that Compass did not receive the executed renewal instructions for the renewal of the \$500,000 certificate of deposit. Consequently, Compass Bank renewed the Certificate of Deposit at the non-public funds rate. The Board asked the attorney to contact Compass Bank to discuss reinstating the Certificate of Deposit at the public funds rate.

After consideration and upon motion made and seconded, the Board unanimously approved the Bookkeeper's Report, Investment Report, and the checks presented for payment.

## **APPROVAL OF MINUTES**

Proposed minutes of the meeting of June 18, 2018 and July 16, 2018, previously distributed to the Board were presented for consideration and approval. The Board noted certain changes to the minutes.

Upon motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of July 16, 2018, as corrected.

The Board also noted that the minutes of June 18, 2018 were approved at the meeting on July 16, 2018.

## **OPERATIONS REPORT**

The Board recognized Mr. Phelps, who submitted to and reviewed with the Board the Operations Report, a copy of which is attached hereto. Mr. Phelps reported as hereinafter noted.

- The District has a total connection count of 668.
- The water accountability for the prior month was 97%.

- There are 37 accounts on the delinquent list.
- The valve installation at Kuykendahl and Cypresswood Drive is delayed as EDP is re-evaluating the location of a new valve.
- A rental emergency generator is on site at the lift station.
- The EDP customer portal will be operational September 1.
- FEMA has made the first award of \$14,997 for damages sustained from Hurricane Harvey.
- there are two accounts for write off in excess of \$25.00, and one account under \$25.00.
- the Cypresswood Apartment requested a waiver of late fees of \$568.36. Cypresswood Apartments failed to timely pay its bill because of a change in personnel.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Operation's Report; (2) approve turning over the accounts finalized with a balance in excess of twenty-five dollars, for collection, if any, (3) approve the write off of the delinquent uncollectable service accounts finalized with a balance of less than twenty-five dollars, if any, and (4) to waive the late fees assessed to the Cypresswood Apartments in view of their prompt payment account history .

### **TERMINATION OF WATER SERVICE**

Consideration was then given to the termination of water service to certain delinquent accounts. At this time, the Operator presented to the Board a list of terminations. The Board noted that there were no persons present at the meeting to protest their utility bills and/or the termination of water service to their property.

Upon motion duly made and seconded, the Board voted unanimously to authorize termination of water service with the assistance of a peace officer, if necessary, to the accounts listed in the termination report, a copy of which is attached hereto.

### **ENGINEER'S REPORT**

The Board recognized Mr. Sarman, who presented the Engineer's Report, a copy of which is on file in the official records of the District.

### **Sanitary Sewer Rehabilitation of Joint Lines**

At the meeting on February 19, 2018, the Board awarded to Layne Liner ("Layne") the contract for the rehabilitation of the joint sanitary sewer lines in the amount of \$388,240, plus \$1,600 for Alternate 1 and \$14,092.50 for Alternate 2. Layne did not submit for approval a pay estimate. Layne is continuing to line the sanitary sewer lines.

### **HCFCO Outfall Erosion**

Harris County has completed repairs to the exposed sanitary sewer line along Cypress Creek.

### **Lift Station Generator**

At the meeting on March 28, 2018, the Board accepted the bid from W.W. Payton ("Payton") in the amount of \$480,000 for the lift station generator. The pre-construction meeting was held on May 9, 2018. The Notice to Proceed has been issued.

### **Fence along Kuykendahl**

Harris County has purchased the remaining parcel of land south of the Valero Service Center. Harris County has not provided any new information to restrict the area from unauthorized vehicles.

### **Escrow Release**

AEI finalized and filed with the Texas Commission on Environmental Quality the applications for release of escrowed funds for the lift station generator and the joint sanitary sewer rehabilitation.

### **District Utility Map**

AEI is updating the utility map to correct location of valves and fire hydrants,

### **Requests for Service**

A request for service has been submitted by A1 Texas Realty. AEI has requested additional information regarding the development.

John Neller is considering opening a deli at 17711 Kuykendahl; and has inquired as to the requirements for a grease trap.

### **AEI Fees**

AEI's engineering and cost summary is attached to the Engineer's Report.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report

### **ATTORNEY'S REPORT**

The Board recognized Mr. Willis, who presented the Attorney's Report.

### **Annual Review of Investment Policy**

At this time, the Board conducted its annual review of the Investment Policy.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Annual Review of Investment Policy, a copy of which Resolution is on file in the official District's records.

### **2018 TAX RATE**

The Board deferred action on the 2018 tax rate.

### **APPROVE AND TAKE ACTION ON NEWSLETTER**

No action was taken on the newsletter.

Consideration was then given to authorizing the payment of a fee of office to Director Williams for preparing the District newsletter.

Upon motion duly made and seconded, the Board voted unanimously to approve payment of a fee of office to Director Williams for preparing the newsletter.

#### **UPDATE ON WEBSITE**

No action was taken on the website.

#### **PONDEROSA JOINT POWERS AUTHORITY (“PJPA”) REPORT**

The PJPA report was then presented, a copy of which is on file in the official records of the District.

The Board then discussed adopting a policy as to the appointment of representatives to the PJPA.

Upon motion duly made and seconded the Board by majority vote adopted a policy that provides that appointment of the representatives to the PJPA will be considered in June of even numbered years for a two year term. Director Papp voted nay on the motion.

#### **NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY REPORT (“RWA”)**

Director Moss submitted and reviewed with the Board a report on the RWA. A copy of said report is on file in the official records of the District.

#### **OFFICE EQUIPMENT**

Consideration was then given to the purchase of a printer for the office.

Upon motion duly made and seconded, the Board voted unanimously to authorize the purchase of a printer at a cost not to exceed \$100.00

#### **ALLIANCE FOR WATER EFFICIENCY**

Consideration was then given to renewing the membership with the Alliance for Water Sufficiency.

Upon motion duly made and seconded, the Board voted unanimously to renew the membership with the Alliance for Water Eufficiency.

#### **PARK COMMITTEE**

Directors Batson and Bonetati updated the Board on partnering with Cypresswood Utility District (“CUD”) and Klein Public Utility District (“Klein”) for a park trails system.

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**There being no further business to come before the Board, upon motion duly made and seconded, the Board voted unanimously to adjourn.**

PASSED AND APPROVED

9-17-18

Date

  
Secretary of the Board of Directors