

HARRIS COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 132

21 April 2008

STATE OF TEXAS §  
COUNTY OF HARRIS §

The Board of Directors of Harris County Water Control and Improvement District No. 132 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 21<sup>st</sup> day of April 2008, at 5:30 p.m. The roll was called of the duly constituted officers and members of the Board, to-wit:

Robert "Bob" Daniel	President
John D. Shannon	Vice President
Thomas Mancini	Secretary
T. Gary Toll	Assistant Secretary
William R. Papp	Assistant Secretary

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

Also present were Noel Barfoot of McCall, Gibson & Company, PLLC, the District's Auditor ("Auditor;") Carol Fraser; Maria Parker of Coats, Rose, Yale, Ryman & Lee, P.C., the District's Attorneys ("Attorney;") Mark Adam of AEI Engineering, Inc., the District's Engineer ("Engineer;") Mike Ammel and Ben Connelley of Environmental Development Partners ("EDP;") the District's Operator ("Operator;") Sara Ahlschlager of Wheeler & Associates, Inc., the District's Tax Assessor/Collector "Tax Assessor/Collector;") Cindy Schmidt, the District's Bookkeeper ("Bookkeeper;") and Sherry Allard, the District's Recording Secretary ("Recording Secretary.")

The meeting was called to order at 5:30 p.m. by President Daniel, who announced all business to appropriately come before the Board at this time would be considered.

**REVIEW AND APPROVE MINUTES OF MEETINGS OF MARCH 11, 2008, MARCH 17, 2008 AND MARCH 19, 2008**

The President asked that the approval of past minutes be given first consideration. After review, upon motion made by Dir. Papp, seconded by Dir. Mancini, the Board voted unanimously to approve the minutes of March 17, 2008 as written. Subsequent motion by Dir. Papp, which Dir. Mancini seconded, to table the March 11, 2008 and March 19, 2008 minutes carried.

**REVIEW AND APPROVE TAX ASSESSOR/COLLECTOR'S REPORT**

The President then asked Ms. Ahlschlager to report on the District's current tax matters. Her report, copy of which is attached to, and considered a part of, these minutes includes a report from Perdue, Brandon, et al, on the District's delinquent tax accounts.

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

Ms. Ahlschlager presented checks numbered 2162 through 2178 for the Board's consideration of payment.

**Report on Status of Tax Collections, Authorize Termination of Water Service To Delinquent Tax Accounts, and Authorize Filing Of Suit To Foreclose Tax Lien On Delinquent Accounts**

The Tax Assessor/Collector informed the Board that 2007 taxes are now 95.04% collected, whereas last year's taxes through March were only 83.89% collected. Ms. Ahlschlager then reviewed with the Board the Perdue, Brandon, *et al* Delinquent Tax Account report, noting one delinquency that has gone into foreclosure. Dir. Papp motioned to approve the Tax Assessor/Collector's report as presented, including the tax checks cited hereinabove. Dir. Toll seconded, after which the Board voted its unanimous consent.

After discussion, upon motion duly made and seconded by Dirs. Papp and Toll, respectively, the Board voted in accord to suspend the agenda order to recognize the Engineer.

**CONSIDER AND ACT ON ENGINEER'S REPORT**

**Review repair and maintenance projects within the District**

President Daniel then recognized Mr. Adam for the Engineer's report for the month. His written report, attached hereto and considered a part hereof, was disseminated to Directors before the meeting. The Engineer reported that he is awaiting insurance certificates on the ground storage tank contract award. He then noted that the Mantana Plant repairs have been completed by Cypresswood Utility District ("CUD.") The Board expressed its dismay that the joint maintenance meetings have not been occurring regularly with CUD as scheduled. The Attorney was asked to discuss the matter with CUD's attorney or Dennis Reilly.

**Authorize Engineer to prepare plans and specifications for District facilities**

Mr. Adam stated that he has reviewed the smoke testing results and will determine a plan and establish a priority list for the Board. The Engineer then informed the Board that he has a revised map of the easement by the fence near the butterfly vine project. The Engineer thanked Dir. Toll for his assistance at the site. The Board asked the Engineer to estimate the cost to replace the fence at the easement.

**Requests for water and sewer service**

There were no new requests for water and sewer service.

**Consider and approve pay estimates and change orders relating to contracts for the repair of the water supply system and sanitary sewer collection system**

This matter was deferred, as there was nothing new to discuss at this time.

**Report on emergency generator and take necessary action related thereto**

There was no discussion in this regard.

**CONSIDER AND ACT UPON OPERATOR'S REPORT**

Mr. Ammel was next called upon by the President for presentation of the monthly Operator's report, a copy of which was disseminated to the Board prior to the meeting and is attached as a part of these minutes. Mr. Ammel stated that he is continuing to build the database on customers in the District for consideration of participating in the pilot sprinkling device program. When complete, the Board asked that an Excel spreadsheet of the database be forwarded to Dir. Papp and Ms. Payne.

Mr. Connelley informed the Board that the CUD emergency generator is on site at the pad, awaiting the automatic transfer switch's arrival. The conduit was installed the Thursday prior to this meeting, he added. Mr. Ammel then informed the Board that the annual spring flushing of the lines would be done between May 12 and May 16, 2008. Residents will be duly notified, he assured the Board.

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

The Operator then reported to the Board the delinquent accounts whose service is to be terminated, in accordance with the District's Rate Order. No customer was present to discuss the status of his/her account delinquency, it was noted. Dir. Papp moved to approve the 62 service terminations as presented. Dir. Toll seconded the motion, which received unanimous support from the Board.

**Authorization of Repairs to Water Supply System and Wastewater Collection System**

The Operator informed the Board that the lift station was shut down on April 3, 2008 to allow for wastewater treatment plant repairs. Noting it has been 18 months since last cleaned, the Operator sought a proposal from Source Point Solutions to thoroughly clean the lift station. That bid was \$7,929.50. After discussion, upon motion duly made and seconded by Dirs. Papp and Shannon, respectively, the Board voted unanimously to authorize the Operator to have Source Point Solutions perform the work.

Dir. Papp moved to return to the normal agenda order. Dir. Toll seconded, and the Board approved by unanimous vote.

**BOOKKEEPER'S REPORT**

**Approval of report, payment of bills from the Operating Account, Depository Pledge Agreement and Investment report**

President Daniel then recognized Ms. Schmidt for the Bookkeeper's report for the month. A copy of her report, disseminated to the Board prior to the meeting, is attached hereto as a part hereof. She stated she had yet to receive a bill from CUD for the District's portion of the emergency generator. The Bookkeeper presented the bills, noting that the check to the Recording Secretary had been voided. Thereafter, Ms. Schmidt reviewed with the Board the current Investment report, noting the continuing drop in interest yields. After discussion, upon motion duly made by Dir. Toll and seconded by Dir. Papp, the Board voted unanimously to approve the report and Investment report, plus the bills as discussed by the Bookkeeper.

Upon motion duly made and seconded by Dirs. Papp and Toll, respectively, the Board unanimously approved interrupting the agenda order to recognize the Auditor.

#### **APPROVE AUDIT FOR FISCAL YEAR ENDING DECEMBER 31, 2007**

President Daniel called upon Mr. Barfoot for a review of the District's draft audit. The Auditor said that the opinion was clean. The Auditor stated that the surplus was quite good, and that the Budget to Actual comparison was very favorable. A five-year review of the general fund shows a steady increase in the fund balance each year over the previous year, he added. He then discussed his firm's representation letter. After full discussion, upon motion duly made and seconded by Dirs. Papp and Toll, respectively, the question being put to the Board, the Board voted in accord to approve the Audit as prepared.

#### **CONSIDER AND ACT ON ATTORNEY'S REPORT**

When recognized by the President, the Attorney stated that she is in the process of reviewing the concept of a consent agenda, as requested by the Board.

#### **Approve DbLive Program and take all necessary actions related thereto, including approval of expenditure of funds and entering into contracts**

Ms. Parker stated that she had made the change in the customer letter, as per the Board's request. Dir. Mancini stated that he had spoken with Mr. Fairey, who told him that 200 monitoring devices, 20 in Austin and 180 in Brazil, would be finished with testing in about seven to ten (10) days' time. The state of Florida is testing the devices now, Dir. Mancini added. Dir. Papp stated that the planned public meeting is scheduled for June 10 or 12, 2008 at one of the subdivision clubhouses. Wells Fargo bank next to CVS has said that they would have a notary available, should any resident miss the scheduled meeting (where a notary would attend,) Dir. Papp added.

#### **Adopt Order Declaring Unopposed Candidates Elected to Office**

The Attorney stated that there would be no Directors Election this year, as no one filed against the two incumbents. Thus Dirs. Shannon and Toll are re-elected to another four-year term, she added. Based thereupon, Dir. Mancini moved to adopt the Order Declaring Unopposed Candidates Elected. Dir. Papp seconded the motion, which received unanimous support from the Board.

## **CONSIDER AND ACT ON REPORT FROM PAYNE COMMUNICATIONS**

### **Discuss status of website and customer communication and take action related thereto**

There was no discussion of this item.

### **Discuss landscape garden, customer communication and take necessary action in connection therewith**

The President then recognized Ms. Fraser for an update on the landscaping plans for the District garden. Having recently attended a landscape conference, Ms. Fraser asked about integrating a data tracking system into the garden activities—how many visit the garden and how many followed up on something they saw or learned there, for example. She stated she would work with Ms. Payne and Carol Baker to find a grant to assist such a project or other plans for the water conservation garden. She stated that the compost heaps should be moved away from the easement and placed on the pavers. The building will also need to be relocated, she added. She reported that there have been vandals taking the forks and shovels from the storage shed. Ms. Fraser stated that Cypress Forest PUD has shown a good deal of interest and has offered to help prepare the plant beds.

Ms. Fraser plans to have the design presented late in the summer or early fall. She informed the Board that there is a new museum planned north of the area that might benefit from some of the plant materials being removed from the garden. Upon motion duly made by Dir. Papp, seconded by Dir. Toll, and unanimously carried, the Board approved donating any plants not envisioned for the garden to the new museum.

The garden needs a good deal of sprucing up right now, Ms. Fraser informed the Board. After consideration, upon motion duly made by Dir. Papp and seconded by Dir. Mancini, the Board unanimously authorized expending \$1,500 to clean up the garden. The matter of the signage still needs to be addressed, Ms. Fraser reminded the Board.

### **Discuss newsletter and take necessary action related thereto**

There was no discussion about the newsletter.

### **Report on status of butterfly vine project and compost project**

The Board asked Ms. Fraser to forward the monarch way station drawing to Mark Adam and Mr. Capano, to facilitate the easement. The Board asked Ms. Fraser to come to the Board in June 2008 with a budget for the monarch way station. The Board determined to manage the fence by soliciting bids.

## **SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE BOARD OF DIRECTORS, INCLUDING:**

### **Review correspondence addressed to the Board**

**Review correspondence sent by the District**

The Board deferred discussion of this item.

**Report on meeting of Ponderosa Joint Powers Authority ("PJPA")**

No report was given this month.

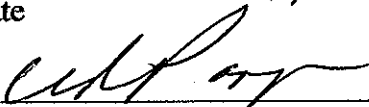
**Report on meeting of North Harris County Regional Water Authority**

There was no discussion on this item.

CITING NO FURTHER BUSINESS TO COME BEFORE THE BOARD AT THIS TIME,  
Dir. Papp's motion to adjourn at 7:45 p.m., duly seconded by Dir. Shannon, carried without dissent.

PASSED AND APPROVED

March 19, 2008  
Date

  
Tom Mancini  
Secretary of the Board of Directors