

COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 132

16 June 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 16<sup>th</sup> day of June 2008, at 5:30 p.m. The roll was called of the duly constituted officers and members of the Board, to-wit:

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

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

Also present were Barbara Payne of Payne Communications, the District's media consultant, ("media consultant;") Michael Willis 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;") Vicki Busboom with Cindy Schmidt, the District's Bookkeeper ("Bookkeeper;") and Sherry Allard, the District's Recording Secretary ("Recording Secretary.")

The meeting was called to order at 6:00 p.m. by President Shannon, who announced all business to appropriately come before the Board at this time would be considered.

**REVIEW AND APPROVE MINUTES OF MEETINGS OF MAY 13, 2008 and MAY 19, 2008**

The Board first considered review and approval of prior minutes. Upon motion duly made and seconded by Dirs. Papp and Daniel, respectively, the Board voted unanimously to approve the minutes of the May 19, 2008 meeting as prepared. Dir. Papp then moved to approve the minutes of the May 13, 2008 meeting, correcting the reason for the meeting to be the discussion of the emergency generation for the water plant. Dir. Daniel seconded, and the Board affirmed.

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

The President then asked Ms. Ahlschlager to update the Board on the District's 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, the District's Delinquent Tax Attorney.

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

Ms. Ahlschlager presented checks from the tax account for consideration and approval.

### **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 letters had been mailed to delinquent taxpayers informing them of the additional 20% penalty that would be attached to their bills if they were not paid by June 30, 2008. She stated that there were no accounts warranting termination of service for nonpayment, but that next month a representative from Perdue, Brandon would be presenting a report with recommendation for termination or other action. After consideration, the Board approved the Tax Assessor/Collector's report as presented, including payment of those checks from the tax account, motion having been made by Dir. Mancini, seconded by Dir. Daniel, and unanimously carried.

After discussion, upon motion duly made and seconded by Dirs. Mancini and Daniel, respectively, the Board voted in accord to suspend the agenda order to recognize the Operator.

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

President Shannon asked the Operator for his monthly report, a copy of which, attached hereto and considered part of, was disseminated to Directors prior to the meeting. Mr. Ammel informed the Board that Ponderosa Joint Powers Authority ("PJPA") determined to use averaged historical figures for lift station data related to MUD 275 and Klein's usage. Dir. Mancini stated that any corrections warranted for using their average figures would be made in the future.

Dir. Daniel and directors from Klein and MUD 275 met with representatives from Republic Waste to discuss a joint garbage collection contract. A line item for trash collection would be included on customers' bills in the future, it was noted. The class of services to be rendered is problematic, as some of the districts currently offer curb service, while others offer back yard service, and Dir. Mancini noted that Cypresswood Place has its trash service included with HOA payment(s.) It was felt that having these matters settled before talking with customers would be wise. Directors asked the Operator to research what services the various districts' contracts offer.

Installing a new fence in the Water Garden was then discussed. The Operator had solicited several bids, receiving only 2 responses. The Board felt that additional proposals were warranted and asked the Operator to solicit more bids and give those earlier bidders an opportunity to modify their proposals, as necessary.

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

Eighty-two (82) service accounts were identified for termination for nonpayment of bills. No customer attended the meeting to discuss the status of his delinquent account, it was noted. Dir.

Papp moved to terminate service to such accounts, in accordance with the District's Rate Order. Dir. Mancini seconded, and the Board approved the motion by unanimous vote.

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

Mr. Ammel reported that the malfunctioning fire hydrant at 4003 Chapel Square was not repairable and will be replaced at a location across the street, eliminating the 6" water line under the street. He asked authorization for the \$4,500 replacement and installation costs. After discussion, upon motion duly made by Dir. Papp, seconded by Dir. Daniel, and unanimously carried, the Board approved the expenditure.

### **Approve Consumer Confidence Report**

The Operator's report indicates that the Consumer Confidence Reports ("CCR") were mailed with customer bills during the month. The Operator assured the Board that the certificate of delivery for the CCR would be forwarded to the Texas Commission on Environmental Quality ("TCEQ").

Dir. Papp moved to reinstate the normal agenda order. Dir. Daniel 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**

The President then asked Ms. Busboom to discuss the May 2008 Bookkeeper's report, a copy of which, made available to the Board prior to the meeting, is attached as a part of these minutes for all purposes. During consideration of the bills, the Bookkeeper noted that check no. 1426 was voided and replaced with check no. 1447. She informed the Board that the District's 50% portion of the cost for the emergency generator at Cypresswood Utility District ("CUD") was included among the checks being presented for approval. Ms. Busboom noted that the Investment report was not reviewed with or signed by Dir. Toll, due to his being on vacation. Dir. Papp motioned to approve the Bookkeeper's report as presented. Dir. Mancini seconded, after which the Board voted its unanimous consent. The Board asked about using surplus funds for its portion of the PJPA expenses. After discussion, upon motion duly made and seconded by Dirs. Papp and Mancini, respectively, the Board voted unanimously to adopt a resolution authorizing the use of surplus funds from the 1998 Series bonds for funding the PJPA project.

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

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

President Shannon recognized Mr. Adam next the Engineer's report, written copy of which, disseminated to Directors prior to the meeting, is attached to and considered a part of these minutes. Mr. Adam stated that he feels the cancelled contract with JoCo., Inc. for the proposed ground storage

tank modifications should be tabled until the fall.

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

The Engineer stated that he had not received a copy of the televised survey originally, believing they may have been sent to the previous operator of the District. He stated he now has reviewed them and is preparing a priority list of line repairs. When asked, the Engineer stated that the District's portion of the North Harris County Regional Water Authority ("Authority") bond application should be about \$2 million.

Regarding the chloramines and surface water conversions, the Board asked to have Mr. Kavanaugh review the costs and make recommendation as to the best funding method for the District.

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

**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**

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, though it was noted earlier in the meeting that the District had received a bill from CUD for the District's share of the cost of the generator.

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

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

This matter was deferred.

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

The President then recognized Ms. Payne, who stated that she had met with representatives from the Harris Galveston Coastal Irrigation Association to help strengthen laws relating to irrigation. She then noted that the TCEQ approved those irrigation measures and plans to establish an Advisory Council and form relationships with MUDs that are like minded.

Ms. Payne stated that she had reviewed the garden status with Mr. Doug Goodwin, who will remove the irrigation system in certain areas and cap off the sprinkler heads where they are not needed relative to the new plans. The garden will be cleaned up, as well. Some items originally installed, including piping and plant material, will be removed by the Champion Forest Garden Club for usage at the Pearl Fincher Library or Pearl Fincher Museum. Ms. Payne added that the Chronicle This Week would carry an article on the matter.

At the September meeting, Carol Fraser will present her plan, together with suggestions, for the garden, Ms. Payne stated. Some 75-gallon rain barrels, forest green with a skimmer on top, have been located, and the District will receive a discount from the \$136 unit cost, she added. Stands, tubing and signage are also needed. Mr. Connelley was asked to relocate the compost bins on gravel beds, solicit a cost to clear and grub the ground cover, and raise the canopy near where the fence will be located. Ms. Fraser, who would like to have written authorization for these actions, will be told that her notification from Ms. Payne would stand as her authorization to perform these District's tasks. Dir. Papp stated that he did give Mr. Murr his 30-day notice to conclude contract work in the garden. After discussion, upon motion duly made and seconded by Dirs. Papp and Mancini, respectively, the Board voted unanimously to authorize Ms. Payne to purchase the rain barrels described.

**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 matter was deferred.

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

Ms. Payne informed the Board that she had received an email this past Friday from Mr. Fairey, who was unavailable as his wife was having surgery. She stated that there was an understanding with Clear Channel, though the contract was not signed. The Board stated that its liaison with DbLive is Dir. Mancini and that all correspondence with Mr. Fairey should be addressed to Dir. Mancini. It was agreed that the names of potential pilot program customers should be formatted into a list to prepare for the town hall meeting.

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

At this time, Mr. Willis was asked to update the Board as to legal matters involving the District. The Attorney was asked to extend to Ms. Parker the Board's condolences for her loss and well wishes for her full and speedy recovery.

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

The matter was discussed earlier.

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

**Review correspondence addressed to the Board**

The Board tabled this matter.

**Review correspondence sent by the District**

The Board deferred discussion of this item.

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

The only matter of importance was the use of districts' averaged figures to calculate lift station expenses, reported earlier in the meeting, Dir. Mancini stated.

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

The President recognized Dir. Mancini, who stated that Mr. Schindewolf, including the Engineers and legal team, has been doing an outstanding job for the Authority. The Board asked Ms. Allard to write a letter on behalf of the Board, commending Mr. Schindewolf's work.

THERE BEING NO FURTHER DISTRICT BUSINESS TO CONDUCT, Dir. Papp motioned for adjournment at 7:15 p.m. Dir. Daniel seconded the motion, which received the Board's unanimous consent.

PASSED AND APPROVED

July 21, 2008  
Date

T. Gary Toll  
T. Gary Toll  
Secretary of the Board of Directors