

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

May 16, 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 16th day of May 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
	Director

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

Also present were residents Rose Marie Garrett and Kermit Sadler; Rene Andel of WHEELER & ASSOCIATES, INC., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); Ryan Larue, the 501(3)c's Attorney and 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").

The meeting was called to order at 5:35 p.m., at which time the following business was transacted.

After discussion, upon motion duly made and seconded, the question being put to the Board, the Board voted in accord to suspend the agenda order to consider the Tax Assessor-Collector's report.

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

Approval of Report and Payment of Bills from Tax Account

Ms. Andel, who disseminated to and reviewed with the Board the Tax Assessor-Collector's report for April 2016, a copy of which is attached hereto and considered a part of these minutes, presented the monthly checks for approval and payment.

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

Thereafter the Tax Assessor/Collector discussed the Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") report, a copy of which is attached to her report. Regarding the Benefield account's over-65 deferral, Ms. Anzel stated that Harris County Appraisal District ("HCAD") is researching the matter. Of note, she added, the account lists the permanent address as 14777 Wunderlich Lane #1006, an out-of-District address. The Perdue report shows that she made payment and had water turned back on to the home. The President noted that Ms. Benefield has 180 days total [now 120 days] to make the account current.

Accounts that remain delinquent until July 1, 2016 will, in accordance with statute, be subject to an additional 20% fee, Ms. Anzel stated.

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

APPROVE BOOKKEEPER'S REPORT, INCLUDING:

Authorizing payment of District bills

Ms. Schmidt, whose Bookkeeper's report, a copy of which is attached hereto as a part hereof, electronically mailed to Directors before the meeting, reviewed with the Board the checks being presented for consideration and approval at this time.

The Board reviewed developer deposits made by The Gonzales Acquisition Group and Stephens & Company. Upon motion being duly made and seconded, the Board unanimously voted to refund the Stephens & Company deposit of \$1,949.94 during next month's billing cycle.

Approval of Investment Report

Ms. Schmidt reviewed with the Board the month's Investment Report, attached to her general report.

Bond Funds Report

The Bookkeeper noted that the first bond payment will be made in November 2016. She informed the Board that the funds for the Ponderosa Joint Powers Authority ("PJPA") generator had to be escrowed, as required by the order from the Texas Commission on Environmental Quality ("TCEQ").

After review, a motion to approve the Bookkeeper's report, duly seconded, carried unanimously.

APPROVE MINUTES OF MARCH 21, 2016; APRIL 6, 2016; APRIL 18, 2016; APRIL 25, 2016; MAY 4, 2016

After consideration, upon motion made, seconded, and unanimously carried, the Board approved the cited minutes as presented.

CONSIDER AND ACT UPON OPERATOR'S REPORT, including:

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

The Board, after review of the delinquent service accounts delineated in the Operator's report, a copy of which is attached hereto as a part of these minutes, voted unanimously to terminate such 80 delinquent accounts. Seven (7) accounts were disconnected last month.

Authorize Repairs to Water Supply System and Wastewater Collection System

Mr. Phelps informed the Board that lift station lift pump #2 was damaged so severely by flooding and overuse during the storms that replacement is required. After discussion, upon motion duly made and seconded, the Board voted unanimously to purchase from NTS a new pump for \$15,716.

Critical Load List

The Operator noted that he had completed and filed with the proper authorities the Critical Load List. He informed the new Directors that this places the District near the top of the list for service during dire emergencies.

Water Use Restrictions

After motion and second were made, the Board voted unanimously to remove the Mandatory Water Restriction signs. It was agreed to consider amending the Rate Order at the next regular meeting.

After discussion, upon motion duly made, seconded, and carried, the Board approved the Operator's report.

CONSIDER AND ACT ON ENGINEER'S REPORT, including:

Emergency Generator at WCID #132 Water Plant

The Engineer, a copy of whose Engineer's report is attached to these minutes as a part hereof, stated that his visit to the site recently verified information needed for the site plan. After submitting the plan to the electrical engineer, plans and specs will be prepared for bidding.

Emergency Generator at PJPA

The Engineer stated that he obtained plans, specifications ("specs"), and documentation from PJPA for the cited project and the MCC project and will submit a request for release of escrowed funds to the Texas Commission on Environmental Quality ("TCEQ").

Approve requests for water and sewer service

The Gonzales Group has not brought their Developer deposit to the required \$2,500, it was reported.

Sanitary Sewer Rehabilitation

Area D

AEI has begun the preparation of plans and specs for rehabilitating Area D.

Joint Lines

AEI is working with Cypresswood Utility District (“CUD”) and Harris County MUD 275 (“MUD 275”) regarding repairs and funding of the project. Cost estimates will be updated with pipe bursting and the pro rata funding by district.

Upon motion being made, seconded, and unanimously carried, the Board approved the Engineer’s report without dissent.

Upon motion made and seconded, the Board voted in unanimity to return to the order of the day.

QUALIFICATION OF DIRECTORS

The Attorney informed the Board that each of the newly elected directors has filed his Oath of Office and Statement of Elected Officials and are thus fully qualified to serve on the Board. Upon motion made, seconded, and unanimously carried, the Board accepted the Oaths and Statements of Terry Williams and Pre Moss.

ELECTION OF OFFICERS

The Board then considered electing officers. After discussion, motion, second, and amendment to same, the Board unanimously approved, for a period not to exceed two (2) years’ time, the following slate of officers:

President	Bill Papp
Vice President	Mary Bonetati
Secretary	Peggy Batson
Assistant Secretary	Terry Williams
Assistant Secretary	Pre Moss

Dir. Williams asked that the Attorney research the By-Laws for policy(ies) pertaining to election of officers, terms of office, etc. The President then assigned to the Directors their consultant contacts and areas of interest.

Dir. Papp	Attorney, Insurance, Website
Dir. Bonetati	Sewage Treatment Plant, Outreach, Cypresswood Homeowners Assoc.
Dir. Batson	Garden, NHC Regional Water Authority (“Authority”)

Dir. Williams Tax Assessor/Collector, Bookkeeper, Water Drops, Newsletter
Dir. Moss Engineer

The President asked that when Dir. Moss attends an Authority meeting, he would like him to report to the Board.

CONSIDER AND ACT UPON ATTORNEY'S REPORT, including:

Approve Resolution Regarding Annual Review of Emergency Preparedness Plan

After review, the Board unanimously adopted the Resolution Regarding the Annual Review of Emergency Preparedness Plan ("the Plan").

Approve Resolution Regarding Unclaimed Property

The Board unanimously approved the Resolution Regarding Unclaimed Property after motion was duly made and seconded.

Discuss and take action upon Matters Relating to Parks and Recreation

The Attorney stated that she did respond to Harris County, stating that the District cannot participate in traffic light project.

Approve Consumer Confidence Report

The Board, after consideration, upon motion made and seconded, voted to approve the Consumer Confidence Report.

Authorize filing of claim in Small Claims Court, and take all necessary action related thereto, including engagement of services of Auditor

The Board discussed the filing of a claim in Small Claims Court against Head, Inc. for monies owed to the District. A motion made to attempt a resolution from Head, Inc. before filing the matter in Small Claims Court, duly seconded, was unanimously approved.

CONSIDER AND ACT UPON REPORT RELATING TO GARDEN, including Engagement of Services for Landscaping, and Establish Scope of Services of Rose Marie Garrett

Maintenance Projects and take action related thereto

Plant Identification. Dir. Batson stated that she contacted Robert Rector of the A&M Extension Services. He told her he is interested and would identify plants at no charge.

Pest Control. Dir. Batson reported that she had contacted Cypress Creek Pest Control, which proposed to set out four (4) bait boxes for \$140, with monthly checks \$55 each. Upon motion made and seconded, the Board selected Cypress Creek Pest Control to manage pests in the Garden.

Clean up. Dir. Batson stated that she met Brad Seaback and asked him about clean up. He said he would clean up the corners and get rid of the debris pile at no charge.

Plan for the Garden

Dir. Batson then reported that she had contacted Michael Murr, who was interested in making a proposal for the Garden Plan. Dir. Batson stressed the goals as being educational, demonstrating water conservation, low maintenance, and beautiful. Should the Board engage him, there would be no charge for the Plan, but for all work thereafter, Mr. Murr told her.

Dir. Batson also contacted Michael Longest, who stated he would draw up a Garden Plan for \$500.

DISCUSS AND TAKE ACTION ON NEWSLETTER

Dir. Williams discussed his most recent submittal to Ms. Falke at EDP. When he got statistics regarding the flood, he quickly put them together in the Newsletter format and emailed them to her. Residents will receive the Newsletter while the flood is still a current issue, he noted.

UPDATE ON WEBSITE

The President stated he visited with Mr. Brookshire and ironed out the items of concern.

NOTING THERE WAS NO OTHER BUSINESS TO COME BEFORE THE BOARD, the Board voted to adjourn at 8:55 p.m., following motion duly made and seconded.

PASSED AND APPROVED

Date June 20, 2016

Peggy Batson
Peggy Batson

Secretary of the Board of Directors
Secretary of the Board of Directors