

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

June 20, 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 20<sup>th</sup> day of June 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, thus constituting a quorum.

Also present were residents Rose Marie Garrett and Kermit Sadler; Rene Anadel of WHEELER & ASSOCIATES, INC., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); 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 called upon Ms. Anadel, who reviewed with the Board the Tax Assessor-Collector's report for May 2016, a copy of which is attached hereto and considered a part hereof. She then presented the checks from the tax account for consideration and approval.

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

Ms. Anadel then discussed the Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") delinquent tax report, attached as part of her report. She reported that The Beginner's World has failed to keep their installment agreement current.

The Board then considered the status of the District's taxable value for 2016, which appears at this time to be approximately \$20,000,000 higher than last year's value.

After review, motion made and seconded to approve the Tax Assessor/Collector's report as presented, received unanimous consent by the Board.

The Board voted to change the agenda order to consider approval of prior minutes, motion having been made, seconded, and unanimously carried.

**APPROVE MINUTES OF MAY 16, 2016 AND JUNE 1, 2016**

After consideration, upon motion made, seconded, and unanimously carried, the Board approved the minutes of the May 16, 2016 and June 1, 2016 meetings, as amended.

**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**

President Papp then asked Mr. Phelps for an operational status report. A copy of his report is attached hereto and is considered a part of these minutes. There were 124 delinquent letters mailed out, but Mr. Phelps stated that his firm's mailing out the bills late may have contributed to the large number.

A motion to approve the delinquent service account terminations as presented, duly seconded, carried unanimously.

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

Mr. Phelps informed the Board that lift station lift pump #3 has not yet been delivered. The delivery of lift station lift pump #2, ordered from NTS, is also awaited.

**Matters for which the County is responsible**

The Operator is conducting a post flood manhole inspection, which has shown 1 manhole lid missing and several manholes in need of minor repair. EDP will notify the County.

The Operator mentioned the storm sewer runoff, which is also under the County's purview. PJPA observed that some of the bank is washing away.

**New Billing Program at EDP**

The Operator informed the Board that EDP is testing a new electronic payment program.

Approve agreement with First Billing for Electronic Payment

Mr. Phelps asked for the Board's consideration of the agreement with First Billing, which offers customers more options in bill payment. It does cost the customer 3.9% to charge their water bill, which is clearly stated when used, the Operator stated. After discussion, upon motion duly made and seconded, the Board unanimously approved the agreement with First Billing.

Water Use Restrictions

The Board discussed customer water usage as noted on the data sent from EDP to the Board. About 3.6% of District customers are very high users, it was determined. Pres. Papp prepared a spread sheet, using EDP's data, which is attached as part of these minutes. It was also determined to review the Rate Order *viz. a viz.* usage fees.

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

Upon motion made and seconded, the Board approved returning to the order of the day,

APPROVE BOOKKEEPER'S REPORT, INCLUDING:

Authorizing Payment of District Bills

The President then called upon Ms. Schmidt for consideration of the Bookkeeper's report, a copy of which is attached to these minutes as a part hereof. She presented to the Board the monthly checks for consideration and approval.

Approval of Investment Report

Ms. Schmidt then reviewed the May 2016 Investment Report, attached to her report, with the Board.

Bond Funds Report

The Bookkeeper stated that since the plans and specifications ("specs") of the Ponderosa Joint Powers Authority ("PJPA") generator were not available at the time of review by the Texas Commission on Environmental Quality ("TCEQ"), the funds for that project were escrowed at Compass Bank until such time as the plans are complete.

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

CONSIDER AND ACT ON ENGINEER'S REPORT, including:

Emergency Generator at PJPA and MCC Project

Mr. Sarman, whose Engineer's report is attached to these minutes as a part hereof, stated that he is finalizing the submittal to the TCEQ for Release of Escrow funds for the cited projects.

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

The Engineer has completed the site plan and forwarded same to the electrical engineer for preparation of plans and specs for bidding.

**Ground Storage Tank ("GST") Hatch Inspection**

Inspection of the east and west tanks on May 10, 2016, which reports are attached to the Engineer's report, resulted in a number of recommendations from the Engineer. On the East tank Mr. Sarman would like to power-tool clean and spot recoat corroded areas and monitor corrosion on the interior bolt strips. On the west tank, he would like to install gasket material on roof hatches.

**Sanitary Sewer Rehabilitation**

AEI has been preparing plans and specs for rehabilitating joint lines in Areas D and E, using the pipe bursting method, and calculating percentage shares of the participating districts.

**Approve requests for water and sewer service**

The Engineer reviewed the plans of The Gonzales Group and forwarded his comments to them, but to date he has had no response. The plans show two (2) buildings in the District and another building in Cypresswood Utility District ("CUD").

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

The Engineer stated that he has been reviewing the EPP to confirm updates needed. An update will again be done when the generator is on line.

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

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

**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 matter relating to Head, Inc. The President stated that Ms. Fraser had her accountant, Bill Graves, forward her report of expenses relating to the District. The President prepared a spreadsheet, attached hereto as a part hereof, showing her figures versus the District's prior figures for comparison. The taxable wages she paid were included. It was noted that Ms. Fraser did not provide receipts for the expenses.

After discussion the Board, upon motion made and seconded, voted unanimously to have the President contact either Ms. Fraser or her accountant in order to have Mr. Graves certify via mail or email that the information provided to the District from Head, Inc. is a true and accurate final accounting regarding the District's Garden. Without such verification, the District will proceed with filing suit in small claims court.

Discuss and take action on consultant liaisons

The President discussed and corrected the Liaison List in the May 16, 2016 minutes. After review and upon motion made and seconded, the Board approved the Liaison List.

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

Plan for the Garden

Dir. Batson reported that Michael Murr has almost completed the plan, therefore the Board set a special meeting date for Monday, June 27, 2016 at 6:00 p.m.

THE PRESIDENT ASKED FOR A MOTION TO ADJOURN, as there was no further business to conduct at this time. A motion, duly seconded, to adjourn the meeting at 8:05 p.m. carried by common consent.

PASSED AND APPROVED

July 18, 2016  
Date

Terry Williams  
Asst. Peggy Batson Terry Williams  
Secretary of the Board of Directors