

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

April 20, 2015

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 20th day of April 2015, at 5:30 p.m. The roll was called of the duly constituted officers and members of the Board, to-wit:

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|-----------------|---------------------|
| William R. Papp | President |
| Jim Dow | Vice President |
| Cindy Lane | Secretary |
| T. Gary Toll | Assistant Secretary |
| Mary Bonetati | Assistant Secretary |

All members of the Board were present, except Dirs. Bonetati and Toll, thus constituting a quorum.

Also present were Liane Pomfret; Carol Fraser of Head, Inc.; Rene Anadel of Wheeler & Associates, Inc., the District's Tax Assessor/Collector ("Tax Assessor/Collector"); Maria Salinas Parker of Sanford Kuhl Hagan Kugle Parker Kahn, LLP, the District's Attorneys ("Attorney"); Tony Sarman of AEI Engineering, LLC, 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 to order at 5:30 p.m. and announced it open for all business to come before it.

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

Approval of Report and Payment of Bills from Tax Account

Ms. Anadel distributed to and reviewed with the Board the Tax Assessor/Collector's report, a copy of which is attached hereto and considered a part hereof for all purposes. The monthly bills were presented for approval and payment.

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

Input from the Operator verified that 4111 Wild Rock is vacant, and the account was terminated in mid-2014. The Attorney stated that a residence must be occupied to qualify for an over 65 deferral. Ms. Anadel was asked to contact Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") on the matter.

Upon consideration, after motion and second being made, the Board unanimously approved the Tax Assessor/Collector's Report and payment of the bills.

A motion, duly seconded, to interrupt the agenda order to recognize the Operator carried without dissent.

CONSIDER AND ACT UPON OPERATOR'S REPORT

The President asked Mr. Phelps to present the Operator's report, a copy of which is attached hereto as a part hereof.

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

The Operator presented the termination list for review. After consideration, upon motion made, seconded, and unanimously carried, the Board approved the sixty (60) accounts presented for termination.

Authorize Repairs to the Water Supply System and Wastewater Collection System

A letter was received from the North Harris County Regional Water Authority ("the Authority") requesting the District's concurrence of the \$33,384.54 credit due the District for the Authority's faulty meter. After review, upon motion duly made and seconded, the Board agreed to and accepted the Authority's credit amount. The Attorney was asked to contact the Authority to confirm such acceptance.

The well production tests showed water table rebounding. A resident called regarding a main break, which was then repaired, Mr. Phelps reported.

Upon motion made, seconded, and unanimously carried, the Board approved the Operator's report.

APPROVE BOOKKEEPER'S REPORT, INCLUDING:

Authorizing payment of District bills

Ms. Schmidt then presented the Bookkeeper's report, attached to these minutes as a part hereof. Bills were presented for approval and payment.

Approval of Investment Report

The Bookkeeper reviewed with the Board the Investment Report for the month. After discussion, motion was made, seconded, and carried to approve the Bookkeeper's report.

CONSIDER AND ACT ON ENGINEER'S REPORT

Discuss and Take Action on bond analysis

Mr. Sarman was then asked to discuss the Engineer's report, a copy of which is attached to, as a part of, these minutes. He discussed the updated bond figures with the Board. The Attorney advised the Board that she had reviewed the projects relative to the Internal Revenue Service ("IRS") rules and regulations. She found that portions of certain projects do not qualify for the bond application.

Authorize Repair and Maintenance Projects within the District

Mr. Sarman informed the Board that both the east and west 210,000 gallon ground storage tanks are due for hatch inspections. After consideration, upon motion duly made and seconded, the Board voted to approve the tank hatch inspections.

The Board provided comments regarding the District map. After consideration, upon motion duly made and seconded, the Board voted to approve the Engineer's report.

APPROVE MINUTES OF MARCH 16, 2015, MARCH 29, 2015 AND APRIL 1, 2015

Upon motion duly made and seconded, the Board unanimously approved the February 16, 2015 regular meeting minutes. After motion was made, seconded, and unanimously carried, the Board approved the minutes of the March 16, 2015 meeting. Motion was then made and seconded to defer taking action upon the March 29, 2015 and April 1, 2015 minutes. The motion carried.

ATTORNEY'S REPORT

Pres. Papp recognized the Attorney for the legal report. The President stated that the website is closed for a few days while Mr. Dulin changes the format from *.html* to *Wordpress®*.

The Attorney stated that three (3) motions are either related to or necessitated by the District's bond application. After consideration, upon motion duly made and seconded, the Board voted unanimously to adopt the Resolution Establishing Intent to Reimburse the Operating Account [for certain qualifying projects, or portions thereof, paid previously from the Operating Account].

After review, upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution Requesting Estimate of [the District's] Value [to be provided by the Harris County Central Appraisal District].

After consideration, upon motion made and seconded, the Board adopted the Resolution Approving the Bond Application.

In an unrelated matter, Ms. Schmidt stated that six (6) accounts had unclaimed funds that are escheatable to the State. After consideration, upon motion made, seconded, and unanimously carried, the Board approved the Resolution Regarding Unclaimed Property.

The President called upon the Operator, who stated that he had reviewed the District's Identity Theft policy and had nothing to add. After consideration, upon motion made and seconded, the Board adopted the Resolution Regarding Annual Review of Red Flags Policy.

The Attorney updated the Board on legislative activities.

After review and upon motion and second being made, the Board approved the Attorney's Report.

CONSIDER AND ACT ON REPORT RELATING TO GARDEN

The President recognized Ms. Fraser and Ms. Pomfret for the Garden Report and Update on preparation for the upcoming Earth Day celebration.

The President showed the Board the plaque to be presented to Mrs. Mancini and the ground plaque to be placed into the Garden sidewalk, honoring Dir. Tom Mancini's strong commitment to the Garden and of late, the new sidewalk.

Ms. Pomfret and the President reviewed the "To Do" list for Directors and the Garden workers for the Earth Day Event.

THE PRESIDENT ASKED FOR A MOTION TO ADJOURN, AS THERE WAS NO further business to conduct at this time. Motion and second to adjourn the meeting at 7:08 p.m., carried by common consent.

PASSED AND APPROVED

May 18, 2015

Date

Cindy Lane

Cindy Lane

Secretary of the Board of Directors