

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132

MINUTES OF REGULAR MEETING

October 19, 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 19th day of October 2015, 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
Jim Dow	Vice President
Peggy Batson	Secretary
T. Gary Toll	Assistant Secretary
Mary Bonetati	Assistant Secretary

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

Also present were resident Kermit Sadler; Greg East of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), the District's Delinquent Tax Attorney; Rene Anandel 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").

PUBLIC HEARING ON PROPOSED 2015 TAX LEVY

Upon motion made and seconded, the Board voted to open the public hearing on the proposed tax levy of 2015.

As no member of the public attended the hearing, the Board closed the public hearing after motion was made, seconded, and unanimously carried.

ADOPT ORDER SETTING TAX RATE FOR 2015

The Tax Assessor/Collector confirmed that the Board's stated intent to set the maintenance and operations tax rate at \$.047 per \$100 of assessed valuation was indeed published in the Houston Chronicle. Thereupon, and following motion made and seconded, the Board voted unanimously to adopt the Order Setting the Tax Rate for 2015.

APPROVE AMENDED NOTICE TO PURCHASERS AND SELLERS

Pursuant to setting the 2015 tax rate, and upon motion duly made and seconded, the Board voted in unanimity to approve the Amended Notice to Sellers and Purchasers and have such Notice filed in the Deed of Records.

The President then called the meeting of the Board of Directors to order in accordance with law at 5:40 p.m. and conducted the following business of the District.

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

Approval of Report and Payment of Bills from Tax Account

The Tax Assessor/Collector reviewed with the Board her report, a copy of which is attached hereto as a part hereof, and submitted for approval the monthly checks from the tax account. Noting that the first page was incorrect, Ms. Anel stated she would submit a corrected page one ("1") to the Board *via* electronic mail.

After review, upon motion was made and seconded, the Board approved the Tax Assessor/Collector's report as corrected.

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

The Board recognized Mr. East, who reported on delinquent tax collections. When asked for clarification about the over 65 deferral, Mr. East stated that if the resident plans to return to the house being claimed for the exemption within a two ("2") year period, Harris County is required by law to grant the exemption. The Board asked Mr. East to determine whether a District resident living in an assisted care facility is qualified for such exemption.

Mr. East informed the Board that delinquent tax collection measures include letters, repeated telephone calls. The internet is consulted for new addresses, and ultimately lawsuits are filed to foreclose the tax lien. After review, upon motion and second being made, the Board unanimously approved the Delinquent Tax Attorney's report.

Upon motion made, seconded and unanimously carried, the Board voted to change the agenda order.

APPROVE MINUTES OF SEPTEMBER 21, 2015 and OCTOBER 7, 2015

Motion made and seconded to approve the September 21, 2015 minutes carried. After review and upon motion and second being made, the Board approved the October 7, 2015 minutes as corrected.

CONSIDER AND ACT UPON OPERATOR'S REPORT, including:

Mr. Phelps then gave the Operator's report, a copy of which is attached hereto as a part of these minutes. He informed the Board that the radio system interlocal agreement is not in place, thus the radios have not been purchased.

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

In reviewing delinquent accounts, the President expressed his concern that some unpaid balances exceed deposits. After consideration, upon motion made and seconded, the Board approved the 75 delinquent service account terminations as presented.

One District customer asked for a reduction in his bill, and the Board asked the Operator to determine the amount of water used previously by this customer.

Authorize Repairs to the Water Supply System and Wastewater Collection System

The Operator discussed the recent well production tests conducted by GM Services. Well #1 results were quite good. Well #2 results were mostly excellent. Strong rebound was noted in both wells' tests.

The Operator felt that the high heterotropic platelet count ("hpc") was elevated due to the low amount of District water that was pumped during the month.

After review, upon motion duly made and seconded, the Board approved the Operator's report as presented.

Motion was made to reinstate the agenda order. When seconded, the motion carried.

APPROVE BOOKKEEPER'S REPORT, INCLUDING:

Authorizing payment of District bills

The President then recognized Ms. Schmidt, who reviewed with the Board her report, a copy of which is attached to, and considered a part of, these minutes. The Bookkeeper presented checks for approval and signature, noting she had just prepared a check for the janitorial service.

Approval of Investment Report

Ms. Schmidt then reviewed the Investment Report. After consideration, upon motion made, seconded, and carried the Board approved the Bookkeeping report, Investment Report, and payment of all checks presented.

The Bookkeeper informed the Board that Budget approval would be at next month's meeting.

CONSIDER AND ACT ON ENGINEER'S REPORT, including:

Mr. Sarman reviewed the September Engineer's report, a copy of which is attached hereto as a part hereof, with the Board.

Bond Application

He informed the Board that he had just received a memo from the Texas Commission on Environmental Quality ("TCEQ") declaring the bond application submittal administratively complete. He awaits formal notice of same.

District Map

The Engineer stated that he is incorporating comments regarding the Ravinia Apartments into the District map and hopes to have it ready by next month. "

Approve requests for water and sewer service

The Engineer informed the Board that the feasibility study for Gonzalez Acquisition Group's proposed apartments is complex, as it appears apartments will not be evenly divided between the District and Cypresswood Utility District ("CUD"). Mr. Sarman stated that he would review plans when received from the developer and update the Board as progress is made.

Emergency Preparedness Plan ("the Plan")

Mr. Sarman stated that he submitted the Plan to the TCEQ but has not yet received approval.

Authorize Repair and Maintenance Projects within the District

The Board then discussed the drainage matter at 17831 Tall Cypress Drive. It was thought that identifying ten (10) current points of elevation against those same locations prior to the existence of the Garden would suffice to determine whether drainage has been adversely impacted by the Garden's development.

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

ATTORNEY'S REPORT

Report on Website and Take Action Related Thereto

It was noted that this month's bill from Don Dulin is his final bill to the District.

Remote Attendance at District Board meetings

The Attorney explained to the Board the particulars related to using videoconferencing to allow Dir. Dow to participate in District meetings and to help attain a quorum, while away.

CONSIDER AND ACT ON REPORT RELATING TO GARDEN

Dir. Bonetati noted that Ms. Fraser spoke to the President about the future location of the beehive(s). Pres. Papp stated that he prefers outside the fence.

It was noted that the barrel for the contest winner from Earth Day has not yet been delivered. The Board agreed to purchase more barrels closer to summer time.

Dir. Bonetati informed the Board that she had met with Kim [of the Cypresswood Log] and gave her the paperwork regarding "Coffee and Conversations" for advertising.

Dir. Bonetati stated that she also spoke with Mark Inman, who will be attending the next Garden meeting on November 4, 2015.

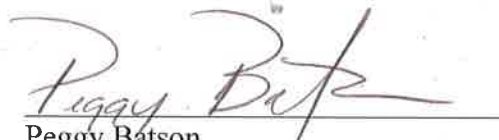
The Board discussed the wonderful turnout at the recent Event with the live birds. Dir; Papp, it was noted, aided attendance with numerous directional signs to the Garden.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, motion, duly seconded, to adjourn at 7:18 p.m. carried.

PASSED AND APPROVED

November 16, 2015

Date


Peggy Batson
Secretary of the Board of Directors