

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 132  
MINUTES OF MEETING

April 17, 2017

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 inside the boundaries of the District, 4107 Evening Trail, Spring, Texas 77388, on April 17, 2017, 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 Rose Marie Garrett, resident of the District; Michael Murr with Park Rangers, LLC, landscape architect for the District; Rene Anandel of Wheeler & Associates, Inc., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); Maria Salinas Parker and Ryan LaRue, 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 Ashcroft with Environmental Development Partners ("EDP"), the District's Operator ("Operator"); and Cindy Schmidt with L&S District Services, LLC, the District's Bookkeeper ("Bookkeeper").

The meeting was called to order by President Papp, and the following business was transacted.

**TAX ASSESSOR/COLLECTOR'S REPORT**

The President recognized Ms. Anandel, who presented the Tax Assessor/Collector's Report, a copy of which is attached hereto. She presented checks from the tax account for approval by the Board. It was noted that the District has collected 95.87% of its 2016 taxes.

Upon motion duly made, and seconded, the Board unanimously approved the Tax Assessor/Collector's Report as presented, and the check presented for payment.

**DELINQUENT TAX REPORT**

The Board recognized Ms. Anandel, who reviewed with the Board the Delinquent Tax Report as submitted by Perdue Brandon Fielder Collins & Mott LLP ("PB"), a copy of which is attached hereto. Ms. Anandel reported that suit has been filed by Harris County against the Benefield account; and the District has intervened in the lawsuit.

Upon motion duly made and seconded, the Board voted unanimously to approve the PB Delinquent Tax Report.

## **GARDEN REPORT**

The Board recognized Mr. Murr, who presented the Garden Report, a copy of which is attached hereto. Mr. Murr reported that all signs have been ordered; and the signs are arriving. Mr. Murr quoted a price of \$125 per visit to mow the interior of the Garden and fenced area. Mr. Murr stated that the Garden will be ready for the May event.

## **BOOKKEEPER'S REPORT**

The Board recognized Ms. Schmidt, who submitted to and reviewed with the Board the Bookkeeper's Report. The Board noted the balances in each of the District's accounts and noted investments in each account. The Board then reviewed the activity in each account. The Board also reviewed the invoices and the checks prepared in payment thereof.

The Directors then reviewed: (1) the Cash Flow Report for the District's Operating Fund; (2) Investment Report, and (3) the Budget Comparison, copies of which are included with and/or attached to the Bookkeeper's Report.

After consideration and upon motion made and seconded, the Board unanimously approved the Bookkeeper's Report, Investment Report, and the checks presented for payment.

## **APPROVAL OF MINUTES**

Proposed minutes of the meeting of March 20, 2017, previously distributed to the Board were presented for consideration and approval.

Upon motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of March 20, 2017.

## **OPERATIONS REPORT**

The Board recognized Mr. Phelps, who submitted to and reviewed with the Board the Operations Report, a copy of which is attached hereto. Mr. Phelps reported as hereinafter noted.

1. The District has a total connection account of 666.
2. The water accountability for the prior month was 96%.
3. There are 84 accounts on the delinquent list.

Mr. Phelps presented an article titled **Lead in Your Drinking Water**. Mr. Phelps added that the sampling frequency for lead and copper is set by the Texas Commission on Environmental Quality and the Environmental Protection Agency ("EPA"). Sampling occurs every three years and twenty samples are taken from customers' homes. The Board agreed to post the article on the website.

The Board noted that on April 1, 2017, the surface water fee charged by the North Harris County Regional Water Authority ("RWA") increased to \$3.35 per 1,000 gallons of water and the pumpage fee increased to \$2.90 per 1,000 gallons of water.

The Board deferred action on adopting a policy relating to issuing a credit on a water bill for high water usage due to a leak.

Upon motion duly made and seconded, the Board voted unanimously to (1) approve the Operation's Report; (2) approve turning over the accounts finalized with a balance in excess of twenty-five dollars, for collection, if any, and (3) approve the write off of the delinquent uncollectable service accounts finalized with a balance less than twenty-five dollars, if any.

### **TERMINATION OF WATER SERVICE**

Consideration was then given to the termination of water service to certain delinquent accounts. At this time, the Operator presented to the Board a list of terminations. The Board noted that there were no persons present at the meeting to protest their utility bills and/or the termination of water service to their property.

Upon motion duly made and seconded, the Board voted unanimously to authorize termination of water service with the assistance of a peace officer, if necessary, to the accounts listed in the termination report, a copy of which is attached hereto.

### **ENGINEER'S REPORT**

The Board recognized Mr. Sarman, who presented the Engineer's Report, a copy of which is attached hereto.

### **Emergency Generator at District Water Plant**

At the meeting on January 16, 2017, the Board awarded the contract for the installation of the gas generator to Genrg Power Solutions d/b/a Generators of Houston ("Genrg") in the amount of \$399,753. Genrg is working on the electrical connection for the generator. Genrg submitted Pay Estimate 1 in the amount of \$117,153 for payment.

AEI submitted the Application Requesting Release of Escrowed Funds with the Texas Commission on Environmental Quality ("TCEQ") to obtain approval for the release of escrowed funds relating to the generator.

### **Sanitary Sewer Rehabilitation of Area D**

IPR South Central, LLC was awarded the contract for the sanitary sewer rehabilitation for Area D. The contract amount is \$130,175, which amount is inclusive of the alternate bid item (\$7,050.00) for the one year warranty televising. A pre-construction meeting was held on April 6, 2017. IPR will commence the project this week.

### **Sanitary Sewer Rehabilitation of Joint Lines**

AEI is tabulating the ownership of the joint sanitary sewer lines. AIE has requested from EDP water usage data for the commercial and multi-family meters in the District and Cypresswood Utility District ("CUD") to confirm the number of equivalent single family connections for the District and CUD. Plans for the sanitary sewer rehabilitation project are being reviewed by the regulatory agencies.

### **HCFCD Outfall Erosion**

AEI continues to reach out to Harris County Precinct 4 regarding the status of the repair to the exposed sanitary sewer line along Cypress Creek. A storm sewer has eroded the banks of the creek such that the 12-inch sanitary sewer line is exposed. A portion of the storm sewer line is leaning into the sanitary sewer line. Harris County has placed staking in the area, but no repairs have been made.

### **Sanitary Sewer Rehabilitation Evening Trail**

AEI is preparing an estimate for the proposed sanitary sewer repairs to the north of Evening Trail. The repair will address root intrusion as well as the swag in the line.

### **Ground Storage Tank Inspections**

The 210,000 gallon (east) ground storage tank hatch inspection is due in May. The 210,000 gallon (west) ground storage tank is due for a full inspection.

### **AEI Fees**

AEI's engineering and cost summary is attached to the Engineer's Report.

Upon motion duly made and seconded, the Board voted unanimously to approve (1) the Engineer's Report, (2) Pay Estimate No. 1 to Genrg in the amount of \$117,153, (3) a hatch inspection of the 210,000 gallon (east) ground storage tank, and (4) a full inspection of the 210,000 gallon (west) ground storage tank.

### **ATTORNEY'S REPORT**

#### **Amend Rate Order**

Consideration was then given to amending the Rate Order to include a policy for issuing credits to customer service accounts for costs associated with water leaks. The Board deferred action on this matter.

#### **Amendment to Joint Facilities Contract**

The Board deferred action on a proposed Amendment to Joint Facilities Contract.

#### **Review Of Red Flag Policy**

Consideration was then given to a proposed Resolution Regarding Annual Review of Red Flag Program. At this time, the Board conducted a review of the Red Flag Program; noting that a report generated by the Operator in connection therewith should be forth coming.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Annual Review of the Red Flag Program subject to certification from the District's Operator. A copy of said Resolution is on file in the official records of the District.

### **Unclaimed Property Report**

Ms. Parker stated that as of March 1 of each year property that is presumed to be abandoned must be reported to the Comptroller on or before July 1. The Board deferred action on this matter.

### **Resolution Regarding Treasury Agreement**

Consideration was then given to a proposed Resolution Regarding Treasury Agreement.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Treasury Agreement. A copy of said Resolution is on file in the official records of the District.

### **GARDEN REPORT continued**

The Board recognized Directors Bonetati and Batson, who updated the Board on the “May in the Garden” event.

At the meeting on April 20, 2017, the Board accepted the bid from Houston Deck and Shade LLC (“HDS”) in the amount of \$16,120 for construction of a pavilion in the Garden. This project is substantially complete.

The District received a proposal from Cypress Pest Control in the amount of \$175 per visit to spray the Garden.

The chain link fence between the Garden and the Strack Cemetery has fallen down. The Board agreed to replace the fence and to have a gate installed in the replacement fence to allow access between the Garden and the Strack Cemetery.

Upon motion duly made and seconded, the Board unanimously (1) approved the Garden Report, (2) accepted the bid of \$125 per visit from Park Rangers to mow the turf on the interior of the Garden, (3) authorized payment to HDS for the work completed to date and immediate payment to HDC upon completion of the project, (4) accepted the proposal from Cypress Pest Control for pest control services, and (5) authorized replacement of the fence between the Garden and Strack Cemetery, inclusive of a gate to allow access between the Garden and the Strack Cemetery.

### **APPROVE AND TAKE ACTION ON NEWSLETTER**

No action was taken on the newsletter.

### **UPDATE ON WEBSITE**

There was no update on the website.

### **PONDEROSA JOINT POWERS AUTHORITY (“PJPA”) REPORT**

Director Bonetati updated the Board on the PJPA. On June 10, 2017, the PJPA will host a demonstration of the new generator.

**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY REPORT (“RWA”)**

Director Moss updated the Board on the RWA.

**There being no further business to come before the Board, upon motion duly made and seconded, the Board voted unanimously to adjourn.**

PASSED AND APPROVED

May 15, 2017

Date

Peggy L. Bark

Secretary of the Board of Directors