

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

May 15, 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 May 15, 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"); Ryan LaRue, of Sanford Kuhl Hagan Kugle Parker Kahn, LLP ("SKLaw") the District's Attorney ("Attorney"); 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 the President, 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 96.54% 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.

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 presented an Addendum to the Park Rangers Contract which provides for mowing the interior of the Garden and fenced area at a price of \$125 per visit. Mr. Murr then discussed with the Board the event held on May 6, 2017.

Upon motion duly made and seconded, the Board voted unanimously to approve the Landscape Architect's Report and to approve the Addendum to the Park Ranger Contract.

## **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 April 17, 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 April 17, 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 count of 663.
2. The water accountability for the prior month was 97%.
3. There are 81 accounts on the delinquent list.
4. The critical Load Spreadsheet is attached to the Operations Report.

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 slab for the generator, the gas line to the meter point, and conduit to the control building.

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. The TCEQ has approved the release from escrow the funds for the generator.

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

IPR South Central, LLC ("IPR") 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. IPR has completed the pre-televising inspection. Point repairs are in progress

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

AEI is tabulating the ownership of the joint sanitary sewer lines. AEI 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. AEI will meet with the engineer for CUD on May 18, 2017.

## **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 will survey the easement to determine the scope of repairs for the root intrusion as well as the swag in the line.

### **Ground Storage Tank Inspections**

The 210,000 gallon (east) ground storage tank hatch inspection, and the 210,000 gallon (west) ground storage tank will be inspected on May 17, 2017.

### **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 the Engineer's Report.

### **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.

Upon motion duly made and seconded, the Board voted unanimously to amend the Rate Order to include a policy for issuing credits for charges relating to high water usage as a result of water leaks. A copy of the amended Rate Order is on file in the official records of the District.

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

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

#### **Unclaimed Property Report**

It was noted 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 Bookkeeper then presented the annual Unclaimed Property Report.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Unclaimed Property, a copy of which is on file in the official records of the District.

#### **Resolution Regarding Annual Review of Emergency Preparedness ("EPP")**

The Board then reviewed the EPP.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Annual Review of Emergency Preparedness subject to review and finalization by the consultants, a copy of which is on file in the official Records of the District.

### **Consumer Confidence Report (“CCR”)**

Consideration was then given to the CCR.

Upon motion duly made and seconded, the Board voted unanimously to approve the CCR, subject to review and comment by the Attorney.

### **GARDEN REPORT continued**

The Board noted that the “May in the Garden” event was a success. Director Williams made a video of the event and the Board received Director Williams consent to add the video on the website.

The Board discussed the placement and positioning of security cameras. Director Papp and Director Batson agreed to contract Today's Integration regarding such matters and report back to the Board.

The Board discussed continuing to spray for mosquitos and the effectiveness of such spraying.

Upon motion duly made and seconded, the Board unanimously (1) approved the Garden Report, and (2) to authorize continued spraying for mosquitos.

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

No action was taken on the newsletter.

### **UPDATE ON WEBSITE**

There was no update on the website, however, the Board agreed to call a special meeting in June to discuss 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 submitted and reviewed with the Board a report on the RWA meeting held on May 1, 2017. A copy of said report is attached hereto.

**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

June 19, 2017

Date

Ray L. Bark

Secretary of the Board of Directors