

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

January 15, 2018

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 January 15, 2018, 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 E. 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, 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 on file in the official records of the District. She presented checks from the tax account for approval by the Board. It was noted that the District has collected 52.73% of its 2017 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 on file in the official records of the District.

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

LANDSCAPE ARCHITECT REPORT/GARDEN REPORT

The Board recognized Mr. Murr, who presented the Park Report, a copy of which is on file in the official records of the District. Mr. Murr stated that there have been no changes since last month.

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

BOOKKEEPER'S REPORT/DRAFT BUDGET

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 December 18, 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 December 18, 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.

- The District has a total connection count of 667.
- The water accountability for the prior month was 97%.
- There are 94 accounts on the delinquent list.
- There are no delinquent, uncollectable accounts for write-off
- The valve survey is complete. EDP is working with AEI to overlay the valve survey data points with the current map data points. Valve exercising is complete.
- A rental emergency generator is on site at the lift station.

Mr. Phelps then updated the Board on repairs related to Hurricane Harvey. EDP has filed a claim with the District's insurance carrier and is also filing a claim with FEMA.

The lift station fence was damaged as a result of a police chase and an overturned vehicle. Foster Fence has repaired the fence. EDP has a case number and will attempt to recoup repair costs.

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, if any, finalized with a balance of less than twenty-five dollars.

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 on file in the official records of the District.

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 in the process of finding a compatible mini-power center feeder breaker. The one provided does not operate properly with the current system.

Sanitary Sewer Rehabilitation of Joint Lines

AEI has submitted plans for the joint sanitary sewer rehabilitation (the "Sewer Project") for regulatory approval. Upon approval of the amended Joint Facilities Contract, AEI will commence advertising for bids on January 24, 2018. Cypresswood Utility District ("CUD") will review the proposed amendment to the Joint Facilities contract on January 22, 2018. Harris County MUD No. 275 has proposed changes to the capacity allocation. AEI will finalize the capacity allocation after receiving comments from CUD. AEI will commence advertising for bids for this project on January 24, 2018.

HCFCD Outfall Erosion

Midtown Engineering, on behalf Harris County, has completed the design of repairs to the exposed sanitary sewer line along Cypress Creek. Harris County has not scheduled the repair. Director Williams and Mr. Sarman met with representatives of Harris County to survey the Harris County outfall pipe that has collapsed onto the District's sanitary sewer line. Harris County representatives stated that where infrastructure is at risk, Harris County generally will proceed with repairs. The representatives will get back with Mr. Sarman.

Lift Station Generator

AEI is preparing the contract for the lift station generator to be delivered by Cummins Southern Plains, LLC in the amount of \$88,075.

Sanitary Sewer Rehabilitation Evening Trail

AEI received bids on January 10, 2018 for repairs for the root intrusion as well as the swag in the line along Evening Trail. A low bid was submitted by IPR South Central in the amount of \$35,950, plus \$3,090 to clean and televise the line prior to the one-year warranty expiration, plus \$1,380 for trench dewatering if necessary.

Emergency Preparedness Plan ("EPP")

The TCEQ has approved the updated EPP for the new generator.

Fence along Kuykendahl

AEI presented an estimate of \$30,000 to replace the chain link fence between the gas station and the Kuykendahl Road bridge. AEI, along with Director Williams, conducted a site visit with Harris County Flood Control to determine feasibility to install barriers along the banks of Cypress Creek to prevent unauthorized vehicles from riding along the banks. Harris County Flood Control confirmed that measures to address this situation are in progress.

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 (1) approve the Engineer's Report, (2) award the contract for the gas generator to Cummins Southern Plains, LLC in the amount of \$88,075, (3) accept the bid of IPR South in the amount of \$40,420 for the repairs along Evening Trail, and (3) approve CUD rehabilitating the sanitary sewer lines that crossover into CUD.

ATTORNEY'S REPORT

Amend Rate Order

No action was taken on amending the Rate Order.

Amendment to Joint Facilities Contract

Ms. Parker updated the Board on the proposed Deed and Third Amendment to Joint Facilities Agreement.

Order Calling Directors Election

Consideration was then given to a proposed Order Calling Directors Election.

Upon motion duly made and seconded, the Board voted unanimously to adopt the Order calling Directors Election, a copy of which is on file in the official records of the District.

Resolution Regarding Water Smart

Consideration was then given to a proposed Resolution Regarding Water Smart.

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

APPROVE AND TAKE ACTION ON NEWSLETTER

No action was taken on the newsletter.

UPDATE ON WEBSITE

There was no report on the website.

PONDEROSA JOINT POWERS AUTHORITY (“PJPA”) REPORT

Director Bonetati presented the PJPA report, a copy of which is on file in the official records of the District.

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

Director Bonetati submitted and reviewed with the Board a report on the RWA. A copy of said report is on file in the official records of the District.

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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

February 19, 2018

Date


Peggy L. Baker
Secretary of the Board of Directors