

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

February 19, 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 February 19, 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 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 93.30% 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. The Board discussed the delinquent taxes owed by Beginners World. Ms. Anandel reported that Beginners World has defaulted under the installment payment plan with the District. The Board agreed that Director Williams will contact Beginners World to seek payment of the delinquent taxes owed the District.

Upon motion duly made and seconded, the Board voted unanimously to approve the PB Delinquent Tax Report, and to authorize Director Williams to contact Beginners World to obtain payment of the delinquent taxes owed by Beginners World.

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 reported that plants damaged from the freeze have been trimmed. Flagstones will be installed around the flagpoles. Mr. Murr then discussed with the Board the replacement of the wooden planks. It was agreed that Mr. Murr will solicit bids to replace the wood planks with for concrete and brick to present at the next meeting.

The Board agreed to postpone the May Garden event until the fall.

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

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 January 15, 2018, 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 January 15, 2018.

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 70 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.

-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.

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 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 McDonald Municipal and Industrial ("McDonald") in the amount of \$399,753. McDonald submitted for approval Pay Estimate 4 and Final in the amount of \$42,483.90. AEI presented the Certificate of Completion and Certificate of Acceptance.

Sanitary Sewer Rehabilitation of Joint Lines

AEI has submitted plans for the joint sanitary sewer rehabilitation (the "Sewer Project") for regulatory approval. AEI has finalized the capacity allocation after receiving comments from CUD. Bids were received on February 14, 2018, with Layne Liner submitting a low bid of \$388,240, plus \$1,600 for Alternate 1 and \$14,092.50 for Alternate 2.

HCFC 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.

Lift Station Generator

AEI is working to finalize the contract for the lift station generator with Cummins Southern Plains, LLC. Their bid was in the amount of \$88,075. The plans for the generator have been submitted to the regulatory authorities for approval, and AEI will file an application for release of escrowed funds with the Texas Commission on Environmental Quality.

Sanitary Sewer Rehabilitation Evening Trail

At the meeting on January 15, 2018, the Board awarded to IPR South Central the contract for the sanitary sewer rehabilitation on Evening Trail 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 trenching and de-watering if necessary. The Attorney is reviewing the contract.

Emergency Preparedness Plan ("EPP")

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

Fence along Kuykendahl

Harris County is looking into the purchase of the remaining parcel of land south of the Valero Service Center. Details for the fence have not been provided by Harris County.

Request for Service

Sugarfoot's Cupcakes has requested service. The bakery is moving into an existing shopping center with no changes to plumbing. AEI submitted a letter of no objection

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, to award the contract for the sanitary sewer rehabilitation Layne Liner in the amount of \$388,240, plus Alternate 1 and Alternate 2, and to approve Pay Estimate 4 and Final to McDonald in the amount of \$42,483.90.

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.

POLICY RELATING TO HANDGUNS

Consideration was then given to prohibiting concealed and open carry handguns from the meeting facility.

Upon motion duly made and seconded, the Board voted unanimously to prohibit concealed and open carry handguns from the meeting facility, and to authorize the preparation and placement of the signs with the legal mandatory language for the prohibition.

APPROVE AND TAKE ACTION ON NEWSLETTER

Director Williams stated that at such time as the audit is complete, he will prepare a “pie chart” illustrating the District’s revenue stream for the next 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

March 19, 2018
Date

Rogay L. Baf
Secretary of the Board of Directors