

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

May 21, 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 May 21, 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 Murr Incorporated, Landscape Architect for the District; Rene Anadel 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"); 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. Anadel, 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 96.92% 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. Anadel, 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 Park Report, a copy of which is on file in the official records of the District. He reported that the Garden will be ready for the fall event. He added that the arbor is showing signs of decline, and that the contract with Oasis has been submitted to the Attorney for review. Mr. Murr is working with Kinder Morgan on the boardwalk. Mr. Murr presented butterfly stamps for the concrete walkway.

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

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 16, 2018, previously distributed to the Board were presented for consideration and approval. The Board noted a change to the minutes.

Upon motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of April 16, 2018, as changed.

OPERATIONS REPORT

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

- The District has a total connection count of 667.
- The water accountability for the prior month was 98%.
- There are 35 accounts on the delinquent list.
- The valve survey is complete. EDP is finalizing recommendations for valve repairs.
- A rental emergency generator is on site at the lift station.
- The emergency water line interconnect with Klein PUD was opened on February 26, 2018, to provide Klein PUD with water while their water plant is being repaired. The interconnect remains open while work progresses for Klein PUD.

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, 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 on file in the official records of the District.

Sanitary Sewer Rehabilitation of Joint Lines

At the meeting on February 19, 2018, the Board awarded to Layne Liner ("Layne") the contract for the rehabilitation of the joint sanitary sewer lines in the amount of \$388,240, plus \$1,600 for Alternate 1 and \$14,092.50 for Alternate 2. The amendment to the Joint Facilities Contract has been approved and executed by the participating districts. Layne has submitted for approval Pay Estimate No. 1 in the amount of \$18,000.00 for mobilization, permits and bonds. Layne is continuing to televise and clean the sanitary sewer lines; and has completed the cured in place lining of the sewer line at the corner of Cypresswood Drive and Kuykendahl.

HCFCD Outfall Erosion

Harris County has given notice that they will proceed with repairs to the exposed sanitary sewer line along Cypress Creek.

Lift Station Generator

At the meeting on March 28, 2018, the Board accepted the bid from W.W. Payton ("Payton") in the amount of \$480,000 for the lift station generator. The pre-construction meeting was held on May 9, 2018. The Notice to Proceed has been issued.

Sanitary Sewer Rehabilitation Evening Trail

At the meeting on January 15, 2018, the Board awarded to IPR South Central ("IPR") 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, and \$1,380 for trenching and de-watering if necessary. This project is complete and the contractor is addressing the corrective items noted at the inspection.

Fence along Kuykendahl

Harris County has purchased the remaining parcel of land south of the Valero Service Center. Harris County has not provided any new information to restrict the area from unauthorized vehicles.

Escrow Release

AEI is preparing the application to be submitted to the Texas Commission on Environmental Quality for release of escrowed funds for the lift station generator and the joint sanitary sewer rehabilitation.

Ground Storage Tank Hatch Inspections

Both ground storage tanks had hatch inspections. AEI is preparing the inspection reports.

Requests for Service

A developer outside the District contacted AEI regarding service from the District for a shopping center.

Force Main Removal

Harris County Flood Control is requesting that the abandoned 12-inch force main crossing Cypress Creek be removed. A low bid was submitted by Tackle Construction in the amount of \$8,500 to remove the force main. The project is complete.

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, and Pay Estimate No .1 to Layne.

ATTORNEY'S REPORT

The Board recognized Ms. Parker, who presented the Attorney's Report.

Amendment to Joint Facilities Contract

The Deed and Third Amendment to the Joint Facilities Agreement has been finalized.

Unclaimed Property Report

Consideration was then given to the Resolution Regarding Unclaimed Property.

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

Qualification of Directors

Consideration was then given to the qualification of directors. At this time Directors Batson, Bonetati and Papp executed their Oaths of Office and Statements of Elected Officials.

Upon motion duly made and seconded, the Board voted unanimously to accept the Oaths of Office and Statements of Elected Officials for Directors Batson, Bonetati and Papp, thus qualifying them to serve on the Board.

Election of Officer

Consideration was then given to the election of officers.

Upon motion duly made and seconded, the Board voted unanimously to elect the following slate of officers:

Mary Bonetati	President
Peggy Batson	Vice President
Terry Williams	Secretary
Pre Moss	Assistant Secretary
William R. Papp	Assistant Secretary

APPROVE AND TAKE ACTION ON NEWSLETTER

Director Williams then presented a draft of the newsletter.

UPDATE ON WEBSITE

No action was taken 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 Moss 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

June 18, 2018
Date

15/ Jerry Williams
Secretary of the Board of Directors