

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

April 16, 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 April 16, 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; Brian Toldan with McCall Gibson Swedlund & Barfoot, PLLC, auditor for 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"); 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. 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 95.70% 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 is making a good recovery from the freeze in January. Mr. Murr then presented bids for the replacement of the wooden walkway in the Garden. He stated that a low bid was submitted by Oasis in the amount of \$51,150.10 for a concrete side walk, with a brick path and removal of exiting wood walkway. Director Williams stated it is his understanding that the cost of \$51,150.10 for a concrete pathway was not included in the budget for the 2018 fiscal year; and suggested looking into a less costly pathway. The Board then discussed the various material for pathways and the cost of maintaining the same. It was also noted that \$35,000 was budgeted for the pathway.

Upon motion duly made and seconded, the Board voted unanimously to approve the Landscape Architect's Report and to accept the bid from Oasis in the amount of \$51,150.10.

## **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.

The Board noted that the Safe Water Texas Coalition submitted an invoice to the District in the amount of \$4,000 for presentations made to second and fourth grades at the local elementary school. The Board further noted that \$2,500 of said \$4,000 was the cost for the second grade presentation; and has heretofore been paid in 2017 to Safe Water Texas Coalition as part of May in the Garden event. Director Williams suggested that the Board pay Safe Water Texas Coalition the sum of \$1,500, the cost for the fourth grade presentation, as the cost for the second grade was paid last year.

Upon motion duly made and seconded, the Board by majority vote approved payment to Safe Water Texas Coalition the sum of \$1,335.50. Director Bonetati abstained from voting.

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 meetings of March 8, 2018, March 19, 2018, and March 28, 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 meetings of March 8, 2018, March 19, 2018, and March 28, 2018.

## **AUDIT FISCAL YEAR ENDED DECEMBER 31, 2017**

The Board recognized Mr. Toldan, who presented a draft audit for fiscal year ended December 31, 2017, a copy of which audit is on file in the official records of the District.

Upon motion duly made and seconded, the Board voted unanimously to approve the audit for fiscal year ended December 31, 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 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.
- The semi-annual well production tests were conducted. No items of concern were noted.

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, 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 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 Attorney is coordinating the amendment to the Joint Facilities Contract with the participating districts which will provide for prorating the costs of this project.

### **HCFCD Outfall Erosion**

Harris County has listed in their project list repairs to the exposed sanitary sewer line along Cypress Creek. Harris County has not scheduled the repair.

### **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. This project will proceed upon review of Payton's insurance and bonds.

### **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 in progress.

### **Fence along Kuykendahl**

Harris County has purchased the remaining parcel of land south of the Valero Service Center. Harris County is now in a position to discuss improvements 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.

### **Requests for Service**

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

### **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**

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

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

The Deed and Third Amendment to Joint Facilities Agreement should be finalized early next week.

### **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 Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Lift Station Generator)**

Consideration was then given to a proposed Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Lift Station Generator).

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Lift Station Generator). A copy of said Resolution is on file in the official records of the District.

### **Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Joint Sanitary Sewer Line Rehabilitation)**

Consideration was then given to a proposed Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Joint Sanitary Sewer Line Rehabilitation).

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Authorizing Application to Texas Commission on Environmental Quality for Approval of Release of Escrowed Funds (Joint Sanitary Sewer Line Rehabilitation). A copy of said Resolution is on file in the official records of the District.

**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**

The Board agreed to discuss the website at the special meeting on March 28, 2018.

**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

May 21, 2018  
Date

Peggy L. Bate  
Secretary of the Board of Directors