

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

March 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 March 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 Rene Anandel of Wheeler & Associates, Inc., the District's Tax Assessor/Collector ("Tax Assessor-Collector"); 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 95.56% 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. Director Williams reported that he contacted Beginners World with regard to 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.

LANDSCAPE ARCHITECT REPORT/GARDEN REPORT

In the absence of Mr. Murr there was no Park 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 February 19, 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 February 19, 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 98%.
- There are 70 accounts on the delinquent list.
- There are seven (7) 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.
- 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.

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.

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.

HCFCF 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. AEI has not received any additional information from the Harris County Flood Control District ("HCFCF").

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. With regard to the installation of the generator, AEI is in the process of obtaining bids. The Board agreed to call a special meeting for March 28, 2018, to review bids for the emergency generator.

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. AEI is reviewing the submittals from IPR.

Fence along Kuykendahl

Prior to taking any action on the fence, HCFCF is waiting on the purchase of the remaining parcel of land south of the Valero Service Center.

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 (1) approve the Engineer's Report.

ATTORNEY'S REPORT

Amend Rate Order

No action was taken on amending the Rate Order.

Amendment to Joint Facilities Contract

Mr. LaRue updated the Board on the proposed Deed and Third Amendment to Joint Facilities Agreement.

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.

Resolution Canceling Election and Declaring Unopposed Candidates Elected to Office

Consideration was given to a proposed Resolution Canceling Election and Declaring Unopposed Candidates Elected to Office.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Canceling Election and Declaring Unopposed Candidates Elected to Office, thereby declaring Directors Papp, Bonetati and Batson elected to the Board for four- year terms commencing May 6, 2018. A copy of said Resolution is on file in the official records of the District.

Resolution Supporting William R. Papp to Board of Trustees of the Association of Water Board Directors

Consideration was then given to a proposed Resolution Supporting William R. Papp to Board of Trustees of the Association of Water Board Directors.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Supporting William R. Papp to Board of Trustees of the Association of Water Board Directors. A copy of said Resolution is on file in the official records of the District.

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 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

April 16, 2018

Date

Peggy L. Bate

Secretary of the Board of Directors