

## **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99**

### **MINUTES OF MEETING OF BOARD OF DIRECTORS**

**MARCH 21, 2017**

The Board of Directors (the "Board" or "Directors") of Harris County Water Control and Improvement District No. 99 (the "District") met in regular session, at 6:30 p.m., at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, March 21, 2017, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Thomas Eisterhold	President
Monte Lee Cooper	Vice President
Tim Evans	Assistant Secretary
Ed Jensen	Secretary/Treasurer/Investment Officer
Annette Bethany	Director/Records Management Officer

All members of the Board were present, thus constituting a quorum. Also attending all or portions of the meeting were: Chris Oliver of Eagle Water Management, Inc., operator for the District ("Operator" and/or "Eagle Water"); Tina Buchanan of Equi-Tax, Inc., tax assessor-collector and bookkeeper for the District ("Equi-Tax"); David Vogt and Sergio Van Dusen of Vogt Engineering, L.P., engineer for the District ("Engineer"), and Marisa L. Roberts, Legal Assistant of Johnson Petrov LLP, attorney for the District ("Attorney"); Chris and Susie Paddock; Marsha Evans, Jill Wright and Teresa Ghinelli, all residents of the District.

The President, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

1. Minutes. The Board reviewed the minutes of the regular meeting held on February 21, 2017, a copy of which was previously distributed to the Board. Upon motion by Director Cooper, seconded by Director Evans, after full discussion and with all Directors present voting aye, the Board approved the regular meeting minutes of February 21, 2017 as revised by Director Bethany.

2. Bookkeeper's Report/Investment Report/Tax Assessor-Collector's Report/Energy Usage Report. Ms. Buchanan presented to and reviewed with the Board, the Bookkeeper's Report, Investment Report, Tax Assessor-Collector's Report, and Energy Usage Report for the previous month, copies of which are attached hereto collectively as Exhibit "A."

a. Ms. Buchanan next reported that TexPool is paying 0.5591% interest and the net asset value is 1.00023. The Investment Officer signed the Investment Report. She also presented and reviewed the Energy Usage Report.

b. The Board tabled authorizing the filing of Texas Unclaimed Property Report until the June meeting.

Ms. Buchanan also reviewed with the Board the proposed Budget for fiscal year ending March 31, 2018, a copy of which is attached hereto to the Bookkeeper's Report. Director Bethany stated that the Budget will be amended later this year to include anticipated expenses for the proposed long range water plan ("LRWP") with WCID 110, once it is approved by the Board. Mr. Vogt previously presented the Board with three (3) options that range in cost from \$146,000 to \$213,000 (rounded).

Upon motion by Director Jensen seconded by Director Cooper, after full discussion and the question being put to the Board, all members of the Board present voted to 1) approve the Bookkeeper's Report, Investment Report, Tax Assessor-Collector's Report, and Energy Usage Report, as presented, 2) authorize the payment of checks numbered 11190 through 11213 from the Operating Account, 3) authorize the payment of two (2) checks numbered 2362 and 2363 from the Tax Account, and 4) approved the Budget for Fiscal Year Ending March 31, 2018 subject to a correction.

3. Budget for FYE March 31, 2018. See Bookkeeper's Report (above).

4. Operator's Report. Mr. Oliver presented the Operations Report, a copy of which is attached hereto as Exhibit "B," and responded to questions from the Board.

a. Mr. Oliver reported the average daily flow at the sewer plant during the previous month was 93,000 G.P.D. and the pumped to billed ratio was 93.10% at the water plant.

Mr. Oliver next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report.

b. Mr. Oliver also presented eighteen (18) termination notices.

c. Director Bethany stated that she requested Eagle Water Management to send a certified letter to the property owner of a home being built at 622 Ames Street, because there is no application for water/sewer service on file, which is a violation of the District's Rate Order for pre-inspections and other inspections. A copy of the letter, including a copy of the rate order outlining the violation, which was mailed to the property owner is attached hereto as Exhibit "B-1." Since then, the customer has contacted Eagle Water Management and made the application and paid the required fees. The Board also discussed the manhole and sewer line issue, details of which can be found under the Engineer's Report, item 8.d. Director Bethany made a motion to ratify sending the certified letter, the motion was seconded by Director Evans, and all members of the Board presented voted to ratify sending the certified letter.

d. Director Bethany informed the Board that Eagle Water had received a request for termination of service from Carolina Gonzalez pertaining to the account for LARG Management LLC, ("LARG") an out-of-District customer, but that the individual was not the authorized person on the contract. Ms. Roberts stated that also received a call from Ms. Gonzlaez regarding same and informed her that before the deposit could be applied to the balance owed and the difference refunded, the authorized person for the LARG account must send a written request to Eagle Water Management.

Upon motion by Director Jensen, seconded by Director Cooper, after full discussion and with all Directors present voting aye, the Board approved the Operator's Report.

The President moved to the Annual Agenda/Miscellaneous Business as the engineer was not present to give his report.

5. Engineer's Report. See below.

6. Annual Agenda/Miscellaneous Business.

a. Ethics Policy and Fees of Office. The Board tabled this item and did not take any action at this time.

b. Communications with District Customers. Director Jensen discussed obtaining a District website. Director Bethany stated that each director should make a list of what they feel would be beneficial to the website for the Board's discussion. Director Jensen stated that the agenda and minutes should be posted. He also stated that he would get with Eagle Water regarding adding the meeting date, time and location to the monthly water bills. The Board tabled this item and no action was taken at this time.

c. Authorize attendance at AWBD Summer Conference. Director Jensen expressed a desire to attend the AWBD Summer Conference in Corpus Christi, Texas. Director Cooper made a motion authorizing Director Jensen's attendance at the AWBD Summer Conference, including reimbursement of related expenses. Director Bethany requested Director Jensen keep a log and provide copies of all receipts. Director Evans seconded the motion, after full discussion and with all Directors present voting aye, the Board approved Director Jensen's attendance at the AWBD Summer Conference.

d. Review of Engineer's Contract. This item was postponed until later in the meeting.

7. Public Comment. Ms. Jill Wright asked if the District connected to WCID 110, how would that affect the customers with older homes. Director Eisterhold stated that because of the calcium build-up in older homes, customers might experience discharge from the calcium as well as discoloration, but that this was only temporary. He explained this was due to the mixing of ground water and surface water. Mr. Vogt stated that the connection is a back-up plan in the event the District's water well fails. Next, Ms. Wright inquired what was the plan with the LARG property, stating that her property backs up to it. Director Evans stated that the District is not aware of their intentions.

8. Engineer's Report. The Engineer's Report was presented by Mr. Vogt, a copy of which is attached as Exhibit "C".

a. Mr. Vogt made a recommendation that the rim of Lift Station No. 1 (Challe Circle W.) be raised to an elevation of 92.5. He also recommended that a 4" vent pipe be added to the station with a turn down and screening. Director Eisterhold stated he would like Eagle Water to get a quote for a tank and injector pump.

b. Mr. Vogt also provided a draft annual report for the Board's review.

c. Director Eisterhold asked if any progress had been made regarding the owner of the Reserve A & B, in Spring Park Village subdivision and if Spring ISD would consider foreclosure for nonpayment and the District possibly obtaining the property through foreclosure.

d. Director Evans stated he is concerned about the issue at 622 Ames and requested Mr. Vogt to inspect it on his way home tonight. Director Evans stated that he would like to avoid any damages to the manhole and sewer line that the heavy trucks and construction at the property might cause. Director Evans also requested Eagle Water to go tomorrow (Wednesday) to inspect the manhole and sewer line and send a letter to the customer, depending on the inspection, outlining any damages and informing the customer of their responsibility in regards to the damages. He feels that the property owner should halt further use of the driveway to avoid any damages to the manhole and sewer line and have the culverts removed. The motion was seconded by Director Jensen, after full discussion and with all Directors present voting aye, the Board authorized Eagle Water to inspect the manhole and sewer line and send a letter to the customer, depending on the inspection, outlining any damages and informing the customer of their responsibility in regards to the damages.

Upon motion by Director Jensen, seconded by Director Cooper, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

The Board then entered into an Executive Session at 7:53 p.m., pursuant to Section 551.074 of the Texas Government Code concerning personnel matters. Everyone departed the meeting with the exception of the Board and Ms. Roberts. At 8:20 p.m., the President declared the Executive Session was ended and the public session resumed.

No action was taken with regard to review of Engineer's Contract. This item was tabled until the April Board of Director's meeting.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,**  
the meeting was adjourned at 8:25 p.m.

**Pay the Bills:** As previously approved by the Board, the following bills were paid:

**Checks Written on Operations Account # 0751-690363**

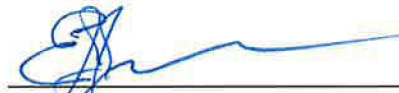
**W C I D # 99**

**March 21, 2017**

Item	Payable To:	Check #	Amount	STP/WP	Account/Invoice#	For:
1	AT&T	11190	130.67	WP	281-288-3728-078-0	Fault Monitoring Line
2	AT&T	11191	130.67	STP	281-288-5820-614-4	Fault Monitoring Line
3	AT&T	11192	128.46	STP/LS	281-288-5942-008-2	Fault Monitoring Line
4	Center Point Energy	11193	25.47	STP	4610016-0	Gas for Generator
5	Reliant Energy	11194	35.40	LS/STP	1 499 574 - 0	Electricity
6	Reliant Energy	11195	1,468.67	WP	1 500 965 - 7	Electricity
7	Reliant Energy	11196	1,865.64	STP	1 505 184 - 0	Electricity
8	Waste Connections of Texas	11197	177.78	STP	1072622	Dumpster
9	All-Pump & Equipment Inc	11198	786.00	STP	Inv# A1065583	Quarterly Blower Inspection
10	Association of Water Board Directors	11199	355.00		Inv# 162897	Summer Conference - Jensen
11	CFI Services, Inc	11200	1,553.86	STP	Inv# 54736	Annual PM
12	DXI Industries	11201	70.00	WP	Inv# DE05009283-17	Chemicals
13	Eagle Water Management, Inc.	11202	8,841.24		February 2017	Operations & Maintenance
14	E T I Bookkeeping Services	11203	700.00		Inv # 7881	Bookkeeping Fees
15	G-M Inspection Services	11204	975.00	WP	Inv# 14008	Well performance testing
16	Johnson Petrov LP	11205	2,243.66		Inv# 1521	Legal Fee
17	Lawns & More	11206	345.00	STP	235.00 Inv# 1446	Mowing Contract - February
				WP	110.00 Inv# 1446	Mowing Contract - February
18	NHCRWA	11207	9,523.20	WP	February 2017	Water Usage Monthly Billing
19	Vogt Engineering	11208	2,658.75		640.00 Inv# 2285	Services thru February 28, 2017
					687.50 Inv# 2286	Sanitary Sewer & Lift Station Inv
					1131.25 Inv# 2287	Investigation Water Supply
20	Annette Bethany	11209	265.57		Director Fees	Monthly Mtg / Additional Fees
21	Monte L Cooper	11210	138.52		Director Fees	Monthly Mtg
22	Edward Jensen	11211	-		Director Fees	Monthly Mtg - To Withholding
23	Thomas Elsterhold	11212	138.52		Director Fees	Monthly Mtg
24	Timothy Evans	11213	323.22		Director Fees	Monthly Mtg / Additional Fees

February 28, 2017

**PASSED AND APPROVED** on the 18<sup>th</sup> day of April, 2017.



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Secretary  
Board of Directors

**EXHIBITS:**

- A - Bookkeeper's Report, Investment Report,  
Tax Assessor-Collector's Report, Energy Report
- B - Operations Report
- B-1 - Letter to Property Owner of 622 Ames Street dated 3/6/17
- C - Engineer's Report

**Minutes recorded by Marisa L. Roberts**  
**Johnson Petrov LLP**  
**Regular Session March 21, 2017**

