

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

MAY 15, 2018

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, May 15, 2018, 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:

Monte Lee Cooper	President
Billy Ray Fritsche	Vice President
Tim Evans	Assistant Secretary
Ed Jensen	Secretary/Treasurer/Investment Officer
Charles Leroy Richardson	Director/Operations Maintenance Officer

All members of the Board were present, with the exception of Director's Jensen and Eisterhold, 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"); Sergio Van Dusen and Caitlin Bobb EIT of Vogt Engineering, L.P., engineer for the District ("Engineer"); Zachary A. Petrov, Attorney and Marisa L. Roberts, Legal Assistant of Johnson Petrov LLP, attorney for the District ("Attorney"); Annette Bethany and several; residents of the District (see Sign-In Sheet).

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 April 17, 2018, a copy of which was previously distributed to the Board and the Closed Session Agenda of April 17, 2018. Upon motion by Director Evans, seconded by Director Bethany, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting April 17, 2018, as presented.
2. Election Agenda. Ms. Roberts directed the Board to consider certain Election Agenda matters.

Ms. Roberts explained that there was a Ballot Board meeting held to accept and/or reject provisional ballots, which were reviewed by the Harris County Election Division. She also stated that letters went out to the provisional voters with an explanation as to how their ballots were handled. Ms. Roberts then reviewed the Order Canvassing Returns and Declaring Results of the Election Directors 2018. A copy of which is attached hereto as Exhibit "A". Therefore, it is hereby declared that Monte Lee Cooper, Billy Ray Fritsche, and Charles Leroy Richardson have been elected as Directors of the District to a serve four (4) year term ending 2022.

Upon motion by Director Evans, seconded by Director Bethany, after full discussion and with all Directors present voting aye, the Board adopted the Order Canvassing Returns and Declaring Results of the Election Directors 2018.

Ms. Roberts presented Certificates of Election, Director Qualification Affidavits thereby verifying their qualifications to serve as Directors of the District, sworn Statements of Elected/Appointed Officer, as required by the Texas Constitution, and the Oaths of Office for Directors Cooper, Fritsche and Richardson, copies of which are attached as Exhibit "B."

e. Next, Ms. Roberts then inquired if the Board would like to change the slate of officers. Director Evans nominated Director Cooper as President, seconded by Director Fritsche, after full discussion and with all Directors present voting aye, the Board approved appointing Director Cooper as President.

Director Richardson nominated Director Fritsche as Vice President, seconded by Director Evans, after full discussion and with all Directors present voting aye, the Board approved appointing Director Fritsche as Vice President.

Director Fritsche motioned for Director Jensen to remain as Secretary, seconded by Director Evans, after full discussion and with all Directors present voting aye, the Board approved Director Jensen to remain as Secretary.

Director Fritsche nominated Director Richardson as Operations Maintenance Officer; seconded by Director Evans, after full discussion and with all Directors present voting aye, the Board approved appointing Director Richardson as Operations Maintenance Officer.

Director Fritsche nominated Director Evans as the Records Management Officer. Director Evans declined acceptance as the Records Management Officer. Director Evans will remain Assistant Secretary.

Ms. Roberts did ask the Board to determine who would be assigned the various duties of the Records Management Officer. Ms. Roberts stated that in the past, Mrs. Bethany maintained a copy of all of the District's records in the District and that Johnson Petrov maintained the originals. She suggested that Johnson Petrov continue to maintain the District's records. Ms. Buchanan stated that Equi-Tax also maintained invoices and various records and suggested that Equi-Tax continue to maintain those records on behalf the District.

Ms. Roberts stated that the meeting agendas were posted in four (4) locations, and that three (3) were required by law and inquired which director was interested in posting the agendas in the District and opened the gates/office for meetings. Mr. Oliver stated that Eagle Water handled posting the agenda for other districts and could do the same for WCID 99, he just needed a keys to handle same. Ms. Roberts also asked if the new directors would be given keys and Mrs. Bethany stated they would.

Mrs. Bethany also reported that the District has P. O. Box No. 1 and the renewal of same is June 1. Discussion ensued on whether to keep or close the P. O. Box. Director Fritsche suggested it be closed and he will submit the necessary notice for same.

3. 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 "C."

a. Ms. Buchanan next reported that TexPool is paying 1.6704% interest and the net asset value is 0.99992. She also presented and reviewed the Energy Usage Report. It was noted, the Energy Usage Report should be posted annually on the District's website at the end of each fiscal year.

b. Ms. Buchanan reviewed the Application Deposit Activity. The Playtez Duplex Project (18718 Casper Drive) is now complete and Ms. Buchanan requested the Board's approval to refund the balance of \$1,171.25. Discussion ensued. Upon Motion by Director Fritsche, seconded by Director Richardson, after full discussion and the question being put to the Board, all members present authorized Equi-Tax to issue a refund in the amount of \$1,171.25 for the Playtez Duplex Project (18718 Casper Drive). Lastly, Ms. Buchanan stated she is reviewing the past three (3) years of invoices regarding LARG Management to determine the amount to be refunded.

Upon motion by Director Richardson, seconded by Director Fritsche 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 11608 through 11638 from the Operating Account, as well as three additional check requests to the election officials that was received after the bookkeeper report was finalize; and 3) authorize the payment of one (1) check numbered 2377 from the Tax Account.

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

a. Mr. Oliver reported the average daily flow at the sewer plant during the previous month was 71,000 G.P.D. He also reported the pumped to billed ratio was 86.65% at the water plant.

b. Mr. Oliver next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report. He reported thirty-two (32) delinquency notices were sent out to customers while twenty-four (24) remain unpaid to date. He also reported that the annual load-bank tests were performed and that both the water plant and sewer plant generators are working.

c. Mr. Oliver discussed the 2017 Consumer Confidence Report (CCR) and inquired if the Board would like it posted to the District's website and/or mailed to the District's customers. Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board authorized Eagle Water to post the CCR on the District's website and to note on the next water bill that customers can obtain a copy from the District's website or request a copy by mail.

d. Next, Mr. Oliver stated that the customer that paved over the meter box (18915 Casper Drive) has reported a leak and the issue will be addressed. He also stated that Eagle Water received a phone call from Henry Roth regarding water and sewer as an out of district customer. Ms. Roberts reported that she had emailed Mr. Roth an application regarding same. Mr. Oliver inquired if the District would honor the previous rates, since Mr. Roth started his

process approximately 2 months prior. Director Evans stated he agreed that would be fair to honor the prior rates.

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

5. Engineer's Report. The Engineer's Report was presented by Mr. Van Dusen, a copy of which is attached as Exhibit "E".

a. Mr. Van Dusen reviewed his report and updated the Board on activities in the District. Director Fritsche inquired whether the District's large well #2 could be converted to a submersible well. Mr. Van Dusen stated he would need to research this because of the condition. He also discussed the Board setting up a meeting with Timber Lane MUD regarding establishing an Interconnect since they too were not on chloramines. Mr. Van Dusen stated he would contact the engineer for Timber Lane MUD and report back to the Board.

b. Mr. Van Dusen reviewed the schedule for implementation of the water line interconnect with WCID 110.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, Board approved the Engineer's Report and authorized Ms. Roberts to contact the attorney for Timber Lane MUD.

6. Public Comment.

Mr. Evans presented an award to Ms. Annette Bethany and thanked her for her loyal and dedicated service on the Board.

Mr. Wells inquired about how many gallons were unaccounted to which Mr. Oliver reported 700,000 gallons, which equates to 16 gallons per minute. He also asked Mr. Van Dusen if he had spoken to Nathan Adams, an engineer with BGE, to which Mr. Van Dusen stated he had not spoken to Mr. Adams. Mr. Wells then asked that when the District takes surface water from the NHCRWA, would it be 100%, to which Mr. Van Dusen replied yes.

Mrs. Bethany commented on MUD 249's interest in annexing WCID 99 and the fact that MUD 249 has a MUD tax and receives a percentage of sales tax.

Ms. Young congratulated the new Board members and hoped that the new members would show integrity and consideration for the Water Board.

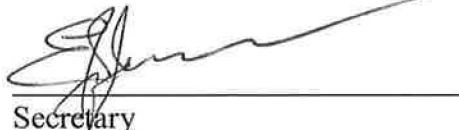
Director Fritsche asked how the new rates in the Rate Order were calculated, whether or not there was a particular formulation or analysis used. Mrs. Bethany stated there was not a formula used, but rather one of the resources used was a comparison of rates to another water district. She further stated that the rates had not been increased in fourteen (14) years.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 8:02 PM.

Pay the Bills: As previously approved by the Board, the following bills were paid:
Checks Written on Operations Account #0751-690363
WCID #99
May 15, 2018

Num	Name	Description	Amount
11608	Accurate Meter & Backflow, LLC	Water Meter Maintenance	-175.00
11609	AT&T 281-288-3728	WP Telephone - Fault Monitoring Line	-15.84
11610	AT&T 281-288-5820	STP Telephone - Fault Monitoring Line	-0.79
11611	AT&T 281-288-5942	STP Telephone - Fault Monitoring Line	-15.60
11612	Center Point Energy	STP Gas for Generator	-27.47
11613	CFI Services Inc	WP Maintenance & Cap Imp	-667.72
11614	DXI Industries, Inc.	STP/WP Maintenance & Cap Imp	-186.21
11615	Eagle Water Management, Inc.	STP/WP Operations & Maintenance	-12,411.29
11616	Elite Pumps & Mechanical Services	STP Maintenance	-7,021.30
11617	ETI Bookkeeping Services	Bookkeeper Fee	-700.00
11618	Johnson Petrov LLP	Legal Fee	-9,325.14
11619	Lawns & More	STP/WP Mowing Contract	-345.00
11620	North Harris County Regional Water Author	WP Purchased Water	-16,116.00
11621	Reliant Energy 1 499 574-0	WP Electricity	-22.80
11622	Reliant Energy 1 500 965-7	STP Electricity	-1,627.52
11623	Reliant Energy 1 505 184-0	STP Electricity	-1,899.93
11624	Source Point Solutions, Inc.	STP Maintenance	-1,585.00
11625	Verizon	WP/ STP Telephone - Fault Monitoring Line	-162.33
11626	Vogt Engineering	Engineer Fee	-5,366.25
11627	Waste Connections of Texas	STP Dumpster	-188.83
11628	Joseph Handel	Customer Deposit Refund	-106.81
11629	Joshua Tyl Want	Customer Deposit Refund	-106.81
11630	Sharon Jones Leavins	Customer Deposit Refund	-68.41
11631	Thomas Edward Puryear	Customer Deposit Refund	-50.86
11632	Annette. Bethany	Director Reimbursement	-33.40
11633	Annette Bethany	Director Fee	-265.57
11634	Billy R Fritsche	Director Fee	-138.52
11635	Charles L Richardson	Director Fee	-138.52
11636	Monte L Cooper	Director Fee	-138.52
11637	Thomas Eisterhold	Director Fee	-138.52
11638	Timothy P. Evans	Director Fee	-323.22
Total			-59,369.18

PASSED AND APPROVED on the 19th day of June, 2018.



Secretary
Board of Directors

EXHIBITS:

- A - Order Canvassing Returns and Declaring Results of the Election Directors 2018
- B - Certificates of Election, Director Qualification Affidavits and Statements of Elected/Appointed Officer
- C - Bookkeeper's Report, Investment Report, Tax Assessor-Collector's Report, Energy Report
- D - Operations Report
- E - Engineer's Report

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session May 15, 2018**

