

# HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

## MINUTES OF MEETING OF BOARD OF DIRECTORS

JUNE 19, 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, June 19, 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, 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"); Marisa L. Roberts, Legal Assistant of Johnson Petrov LLP, attorney for the District ("Attorney"); 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 May 15, 2018, a copy of which was previously distributed to the Board. Upon motion by Director Richardson, seconded by Director Fritsche, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting May 15, 2018, as presented.

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 1.6704% interest and the net asset value is 0.99992. She also presented and reviewed the Energy Usage Report.

b. Director Richardson asked that check no. 11651 to Lawns & More be voided because they did not render services. The Board agreed to withhold payment until such time as that Director Richardson could contact Lawns & More regarding same.

c. Discussion ensued regarding the refund to LARG Management, as this property had been sold. After careful research, Ms. Buchanan determined that the \$6,239.40 was to be refunded and requested the Board's authorization on same.

Upon motion by Director Fritsche, seconded by Director Jensen after full discussion and the question being put to the Board, all members of the Board authorized Ms. Buchanan to issue a refund to LARG Management in the amount of \$6,239.40.

d. Next, Ms. Buchanan presented an Unclaimed Property Report and explained that the report is to be filed each year with the State by July 1<sup>st</sup> for accounts that are one (1) or more years old. Ms. Buchanan stated that there were five (5) accounts totaling \$298.28 that would be escheated to the State. A copy of the report is attached hereto as Exhibit "A-1".

Upon motion by Director Fritsche, seconded by Director Jensen 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 11643 through 11673 from the Operating Account, with the exception of check no. 11651 to Lawns & More, which was voided and check no. 11672 because the director log of services performed is required; and 3) authorize the payment of one (1) check numbered 2378 from the Tax Account.

3. 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 64,000 G.P.D. He also reported the pumped to billed ratio was 86.64% at the water plant. He also reported that 17 meters were replaced. Discussion ensued regarding the replacement of meters with readings of over 2 million. He stated there are approximately 136 meters in need of replacement. When asked the cost of replacement (Badger meters), he responded approximately \$105 per meter, which includes labor.

Upon motion by Director Evans, seconded by Director Fritsche after full discussion and the question being put to the Board, all members of the Board present approved replacement of 136 meters. Then, Director Evans inquired about using Smart meters and whether this would be cost-effective, since the Smart meters are more accurate and would save time on someone having to go out and read the meters. Mr. Oliver stated he could have a representative of the Smart meters give a presentation to the Board. He also stated that the cost per meter is approximately \$300. Director Jensen stated he would like have a cost analysis of switching to Smart meters. Discussion ensued. Director Jensen made a motion that the Board authorizes Mr. Oliver to prepare a cost analysis for switching to Smart meters prior to the District replacing the 136 Badger meters. The motion was seconded by Director Evans, after discussion and the question being put to the Board, all members of the Board authorized Mr. Oliver to prepare a cost analysis for switching to Smart meters and to hold-off on the replacement of the 136 Badger meters until the Board has considered both options.

b. Mr. Oliver next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report. He reported nineteen (19) delinquency notices were sent out to customers while ten (10) remain unpaid to date.

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



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

a. Mr. Van Dusen reviewed his report and updated the Board on activities in the District as well as provided an update on Harris County and TxDOT project for signal and lane management, which is going up to FM 1960. Vogt Engineering has reviewed the initial and revised plans for any conflicts.

Mr. Van Dusen also reported that Vogt will have the renewal application for the TCEQ discharge permit at the July meeting.

He next reported that he attended a Timber Lane MUD Board meeting regarding establishing an Interconnect, and that Timber Lane presented some conditions, in the event feasibility of the interconnect is determined; the details of which can be found in the Engineer's Report.

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

5. New Business/Annual Agenda.

a. Ethics Policy. Director Cooper discussed the need to review the District's current Ethics Policy, a copy of which was provided to the Board by email prior to the meeting. In particular, the Director's log of service in order to receive additional compensation was circulated by Ms. Buchanan. The Board decided to place this item on the July agenda for further discussion.

b. Payment Options. The Board discussed implementing a Merchant Agreement with Wells Fargo Bank in order to provide additional payment options to customers. Ms. Buchanan stated she would contact a representative of Wells Fargo to obtain a contract and inquire about the process and cost for implementation of same.

6. Public Comment.

Ms. Jensen inquired about the Harris County green ways.

Ms. Evans commented on how nice the smart meters are, especially in alerting you if you have a leak or high usage.

Ms. Kimbrough asked if the Board would consider changing meeting locations with additional parking and seating. Director Cooper responded the Board would look into that. Ms. Kimbrough then asked if the District can't afford installation of Smart meters, would they consider giving homeowner's an option to possibly share the cost of a Smart meter. The Board responded that additional information on Smart meters is needed.

Lastly, Ms. Wells inquired about the rate increase in April and if an analysis had been compared to the Budget. Discussion ensued. The Board stated that an analysis would be worthwhile. Director Fritsche volunteered to project the revenue increase of the amended Rate Order approved by the Board at the April 17, 2018 meeting and with the assistance of Eagle Water personnel.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,**  
the meeting was adjourned at 7:58 PM.

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

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

**Harris County WCID #99 GOF**


**Checks Presented**

June 19, 2018

Num	Name		Amount
11643	Center Point Energy	Water Meter Maintenance	-35.69
11644	CFI Services Inc	STP Maintenance	-838.60
11645	DLD Services	STP Maintenance	-3,122.70
11646	DXI Industries, Inc.	WP Chemicals	-302.42
11647	Eagle Water Management, Inc.	STP/WP Operations & Maintenance	-17,476.84
11648	ETI Bookkeeping Services	Bookkeeper Fee	-1,242.00
11649	Johnson Petrov LLP	Legal Fee	-4,995.83
11650	Kwik Kopy	Printing & Office Supplies	-127.45
* 11651	Lawns & More	STP/WP Mowing Contract	-345.00
11652	Magna Flow Environmental, Inc.	STP Sludge Hauling	-1,925.00
11653	North Harris County Regional Water Author	WP Purchased Water	-22,579.40
11654	Reliant Energy 1 499 574-0	WP Electricity	-17.99
11655	Reliant Energy 1 500 965-7	STP Electricity	-1,933.12
11656	Reliant Energy 1 505 184-0	STP Electricity	-1,827.32
11657	Source Point Solutions, Inc.	STP Maintenance	-948.00
11658	Texas Comptroller of Public Accounts	UnClaimed Property	-298.28
11659	Verizon	WP/STP Telephone - Fault Monitoring Line	-62.91
11660	Vogt Engineering	Engineer Fee	-13,313.63
11661	Waste Connections of Texas	STP Dumpster	-188.83
11662	Frank Charles Megerle	Customer Deposit Refund	-4.43
11663	Gene Odom	Customer Deposit Refund	-70.12
11664	Jacqueline Whiteman	Customer Deposit Refund	-150.00
11665	Julian Santiago	Customer Deposit Refund	-88.26
11666	Cleaning Additional Services	Refund Pleytez Duplex	-871.25
11667	Billy R Fritsche	Director Fee	-138.53
11668	Charles L Richardson	Director Fee	-138.53
11669	Edward J Jensen	Director Fee	0.00
11671	Timothy P. Evans	Director Fee	-138.53
11670	Monte L Cooper	Director Fee	-138.53
** 11672	Charles L Richardson	Director Fee	-92.35
11673	Timothy P. Evans	Director Fee	-92.35
Total			-73,503.89

\* WITHHOLDING DUE TO SERVICES NOT RENDERED  
 \*\* VOIDED - NEED DIRECTOR'S LOG OF SERVICES PERFORMED

**PASSED AND APPROVED** on the 17th day of July, 2018.

  
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Secretary  
Board of Directors

**EXHIBITS:**

- A - Bookkeeper's Report, Investment Report,  
Tax Assessor-Collector's Report, Energy Report
- A-1 - Unclaimed Property Report
- B - Operations Report
- C - Engineer's Report

**Minutes recorded by Marisa L. Roberts  
Johnson Petrov LLP  
Regular Session June 19, 2018**

