

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

SEPTEMBER 19, 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, September 19, 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"); 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"); Pam Schrock, Vanessa Nixon, Marsha Evans; Debbie Jensen, Chris and Susie Paddock; and Rick Waiser; 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 August 15, 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 August 15, 2017, as corrected.

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."

Ms. Buchanan next reported that TexPool is paying 0.9989% interest and the net asset value is 1.00003. The Investment Officer signed the Investment Report. She also presented and reviewed the Energy Usage Report. Ms. Buchanan also reported that the contract with Reliant Energy was renewed at 7.8¢ per kW.

Upon motion by Director Cooper 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 11359 through 11387 from the Operating Account, and 3) authorize the payment of one (1) check numbered 2369 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 135,000 G.P.D. and the pumped to billed ratio was 95.76% at the water plant.

Mr. Oliver next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report. Of note, the District did not send out termination notices for nonpayment to allow District customers time to evaluate their circumstances as a result of Hurricane Harvey.

Mr. Oliver next reported that as a result of Hurricane Harvey, the auto dialer at the Challe Circle W. Lift Station went under water and needs to be replaced. The replacement has been ordered. He also reported that the blower at the Sewer Treatment Plant needs the bearings replaced and noted that the generator is ready to go, if needed.

Next, Director Evans thanked Eagle Water Management and Vogt Engineering for their generous donation to Bob Stewart, a resident of the District, who assisted others by providing disaster relief after Hurricane Harvey.

Upon motion by Director Evans, seconded by Director Cooper, 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 reported that he has not heard back from Rudy Playtez (18718 Casper Drive), and that when they last spoke, Mr. Playtez expressed an interest in putting in his own sewer system and only receiving water from the District. Director Bethany stated that would be a direct violation of the District's Rate Order. Additionally, Mr. Van Dusen reported that he requested Mr. Playtez to install a sealed man hole, and that Mr. Playtez did not want to incur the expense. He also stated that Vogt Engineering is still working with Eagle Water on the asset inventory list.

b. Next, Mr. Van Dusen stated that on August 18th, Vogt Engineering checked the acreage behind the Wastewater Treatment Plant and observed the sanitary manhole #32 and the sanitary sewer line ("SSL") crossing Lemm Gully, reporting that the SSL is in need of repair and that he had reached out to a representative of the Harris County Flood Control District. Discussion ensued regarding what action the District should take.

Director Eisterhold made a motion directing the District's Engineer to come up with a temporary solution, by either back-filling and/or supporting the SSL with a 4x4 to keep the SSL from falling and until such time that the District hears back from HCFCD. Director Jensen seconded the motion, with all Directors present voting aye the Board authorized the District's Engineer to come up with a temporary solution, by either back-filling and/or supporting the SSL with a 4x4 to keep the SSL from falling and until such time that the District hears back from HCFCD.

c. The Board then discussed the implementation of the Chloramines. Mr. Van Dusen stated that Vogt Engineering could design the installation and that he would have the information to submit to the TCEQ this week. Director Eisterhold stated that a notice to the District's Customers should also be sent out and that it has been discussed at a Civic Club

meeting that Chloramines would be forthcoming. Director Jensen inquired about the effects of Chloramines vs. Chlorine on galvanized pipes. Mr. Van Dusen stated that the pH level is different with surface water vs. well water and also once Chloramines are implemented, the District will need to flush the lines. Ms. Nixon, a resident of the District, inquired whether it might be a good idea to change from galvanized pipes while the sheetrock was still out. The Board stated that would be a personal decision that she would consider making.

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

5. Annual Agenda/Miscellaneous Business.

a. Updates to District's website. This item was tabled. Director Eisterhold asked Director Jensen to contact the bank again about the possibility of online payments.

b. Director Bethany made a motion to ratify the authorization of sending an informational letter to the District's customers regarding disaster assistance as a result of Hurricane Harvey, which was seconded by Director Jensen, after full discussion and with all Directors present voting aye, the Board authorized sending an informational letter to the District's customers regarding disaster assistance as a result of Hurricane Harvey.

6. Public Comment.

a. Review and approve the Amended and Restated District Information Form.

Ms. Roberts presented to the Board for review and approval an Amended and Restated District Information Form, a copy of which is attached hereto as Exhibit "D", which is required to be amended to show the current tax rate and any outstanding debt, of which the District does not have either, as well as the Notice to Purchasers form. The Form will be recorded in the Harris County Real Property Records (the "HCRPR"). Upon motion by Director Bethany, seconded by Director Jensen, after full discussion and with all Directors present voting aye, the Board approved the Amended and Restated District Information Form, and authorized JP to record same in the HCRPR, as required by law.

b. Authorize attendance at the AWBD 2017 Fall Seminar Dinner and 2018 Mid-Winter Conference.

c. The Board then considered attendance at the Association of Water Board Directors – Texas (the "AWBD") AWBD 2017 Fall Seminar Dinner and the 2018 Mid-Winter Conference.

Upon motion by Director Cooper, seconded by Director Evans, after full discussion and with all Directors present voting aye, the Board authorized the Directors' attendance at the AWBD 2017 Fall Seminar Dinner and the 2018 Mid-Winter Conference.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned.

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
September 19, 2017

| Item | Payable To: | Check # | Amount | STP/WP | Account/Invoice# | For: |
|------|--------------------------------|---------|-----------|--------|-------------------------|-------------------------------|
| 1 | AT&T | 11359 | 136.25 | WP | 281-288-3728-078-0 | Fault Monitoring Line |
| 2 | AT&T | 11360 | 136.25 | STP | 281-288-5820-614-4 | Fault Monitoring Line |
| 3 | AT&T | 11361 | 133.55 | STP/LS | 281-288-5942-008-2 | Fault Monitoring Line |
| 4 | Center Point Energy | 11362 | 28.45 | STP | 4610016-0 | Gas for Generator |
| 5 | Reliant Energy | 11363 | 24.83 | LS/STP | 1 499 574 - 0 | Electricity |
| 6 | Reliant Energy | 11364 | 1,891.34 | WP | 1 500 965 - 7 | Electricity |
| 7 | Reliant Energy | 11365 | 1,567.17 | STP | 1 505 184 - 0 | Electricity |
| 8 | Waste Connections of Texas | 11366 | 177.78 | STP | Inv# 1415955 | Dumpster |
| 9 | CFI Services | 11367 | 756.79 | WP | 384.96 Inv# 56844 | Maintenance |
| | | | | STP | 371.83 Inv# 56895 | Maintenance |
| 10 | DXI Industries | 11368 | 286.82 | WP | 108.41 Inv#055013450-17 | Chemicals |
| | | | | STP | 108.41 Inv#055013451-17 | Chemicals |
| | | | | STP | 70.00 Inv#DE05005738-17 | Chemicals |
| 11 | Eagle Water Management, Inc. | 11369 | 11,731.51 | | August 2017 | Operations & Maintenance |
| 12 | Edward Jensen | 11370 | 671.01 | | AWBD reimbursement | Dues/Seminars/Workshops |
| 13 | E T I Bookkeeping Services | 11371 | 700.00 | | Inv# 8024 | Bookkeeping Fees |
| 14 | Johnson Petrov LP | 1372 | 1,462.50 | | Inv# 1731 | Legal Fee |
| 15 | Kwik Kopy | 1373 | 317.48 | | Inv# 114075 | Copies and Fax |
| 16 | Lawns & More | 1374 | 690.00 | STP | 470.00 Inv# 1576 | Mowing Contract - August |
| | | | | WP | 220.00 Inv# 1576 | Mowing Contract - August |
| 17 | Magna Flow | 1375 | 1,925.00 | STP | 770.00 Inv# 47802 | Sludge Hauling |
| | | | | STP | 1155.00 Inv# 47873 | Sludge Hauling |
| 18 | McCall Gibson Swedlund Barfoot | 11376 | 3,200.00 | | Final | Audit |
| 19 | MJ Enterprises | 11377 | 465.98 | | Inv# 1747 | Maintenance |
| 20 | Neil Technical Services, Corp | 11378 | 1,305.00 | STP | 560.00 Inv# 75305 | Maintenance |
| | | | | STP | 560.00 Inv# 75538 | Maintenance |
| 21 | NHCRWA | 11379 | 16,640.20 | WP | August 2017 | Water Usage Monthly Billing |
| 22 | Southern Flowmeter | 11380 | 484.00 | WP | Inv# 10379 | Maintenance |
| 23 | Vogt Engineering | 11381 | 6,087.50 | | 300.00 Inv#2422 | Pleytoz Duplex |
| | | | | | 5637.50 Inv#2423 | Engineer Fee |
| | | | | | 150.00 Inv#2434 | Engineer Fee |
| 24 | James W Ganley | 11382 | 80.32 | | 19506 Rippon Drive | Deposit Refund |
| 25 | Mary Charlene Jamail | 11383 | 44.96 | | 626 Andover Street | Deposit Refund |
| 26 | Annette Bethany | 11384 | 265.57 | | Director Fees | Monthly Mtg / Additional Fees |
| 27 | Edward Jensen | | - | | Director Fees | Monthly Mtg - To Withholding |
| 28 | Monte L Cooper | 11385 | 138.52 | | Director Fees | Monthly Mtg |
| 29 | Thomas Eisterhold | 11386 | 138.52 | | Director Fees | Monthly Mtg |
| 30 | Timothy Evans | 11387 | 323.22 | | Director Fees | Monthly Mtg / Additional Fees |

August 31, 2017

PASSED AND APPROVED on the 17th day of October, 2017.



Secretary

Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report,
Tax Assessor-Collector's Report, Energy Report
- B - Operations Report
- C - Engineer's Report
- D - Amended and Restated District Information Form

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session September 19, 2017**

[DISTRICT SEAL]

