

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

OCTOBER 16, 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, October 16, 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: Mike Plunkett 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"); Jonathan Schumann, P.E., Developer with Concourse Development, LLC; and several residents of the District and members of the public (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 September 18, 2018, a copy of which was previously distributed to the Board. Upon motion by Director Fritsche, seconded by Director Jensen, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting September 18, 2018, 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."

a. Ms. Buchanan next reported that TexPool is paying 1.9953% interest and the net asset value is 0.99991. She also presented and reviewed the Energy Usage Report.

Discussion then ensued regarding changing from Wells Fargo Bank to Compass BBVA. Director Jensen made a motion, which was seconded by Director Fritsche, after full discussion and the question being put to the Board, all members of the Board approved Ms. Buchanan to change from Wells Fargo Bank to Compass BBVA.

b. Next, Ms. Buchanan reviewed a draft amended budget taking into consideration the increased income and projected income as a result of the amended rate order. Discussion ensued. The Board indicated that it would like to make some additions to the budget and review again. Therefore, it was tabled until the November meeting.

Upon motion by Director Fritsche, seconded by Director Richardson 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 11758 through 11781 from the Operating Account; and 3) authorize the payment of one (1) check numbered 2382 from the Tax Account.

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

a. Mr. Plunkett reported the average daily flow at the sewer plant during the previous month was 91,000 G.P.D., noting that the drop in production was partly due to a lot of rain. He also reported the pumped to billed ratio was 85.45% at the water plant and further reported that he anticipates next month's pump to bill with increase since several meters were replaced.

Mr. Plunkett next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report. He stated that the GST light will be fixed tomorrow. He reported forty-four (44) delinquency notices were sent out to customers while twenty-seven (27) remain unpaid to date.

Mr. Plunkett also reported he received a letter from a customer that resides at 18818 Whitewood regarding a possible credit to her bill. Mr. Plunkett suspects a slight leak due to a flapper that needs to be changed. The Board took no action on this matter.

Lastly, Mr. Plunkett provided a written accounting of the initial flushing that took place on September 16, 2018. A copy of which is attached to the Operator's Report.

Upon motion by Director Jensen, seconded by Director Fritsche after full discussion and the question being put to the Board, all members of the Board present 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. Ongoing District Projects or service applications.

Director Fritsche reported that he had spoken to a representative of the Harris County Flood Control District and they confirmed that the District is responsible for maintaining the infrastructure and that the District should proceed with the Lemm Gulley Project. Mr. Van Dusen will bring the plans to the November meeting for the Board to review and approve submission of same.

Mr. Van Dusen reviewed his report and responded to questions from the Board.

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 Jensen asked Director Cooper to clarify previous discussions regarding appointing the Vice President, along with the President and Secretary under Section 7.01 Audit Committee, because he was concerned it would constitute a formal meeting and such notice would need to be posted. Director Cooper responded by saying he would recues himself and allow the Vice President and Secretary to discuss the policy changes deemed necessary.

Next, Director Cooper stated that pursuant to the Ethics Policy that all consultant contracts should be reviewed on an annual basis. He asked each director to take a contract and review it and report back at the next Board of Director's meeting. He additionally requested that any director who submits an expense log reimbursement, that a copy also be submitted to the remaining Board members for review.

b. Payment Options. Director Jensen explained that BBVA Compass is conducting a pilot program and that pricing information will be available sometime after January 2019.

c. Director Fritsche discussed the options that the District may have to finance future projects, a) increase water rates; b) evaluate possible taxation; and c) bond election. It was suggested that this might be a good time for the District's financial advisor to make some recommendations on behalf the District.

d. Mr. Jonathan Schumann approached the Board regarding a possible feasibility study for the equivalent of two-hundred and fifty (250) SF connections. Discussion ensued. The Board denied the request at this time, but stated they would honor their prior commitment, which would be equivalent of three (3) SF connections.

e. 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 Fritsche, 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.

f. Director Richardson stated he inquired about the cost to trim down several of the large trees at the Water Plant and was given an estimate of \$800 to \$1,000 per tree. He further noted that there are approximately 20 trees. Discussion ensued. Director Richardson will obtain a written quote and this item will be further discussed at the November meeting.

6. Public Comment.

Members of the public had no comment at this time.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 7:49 PM.

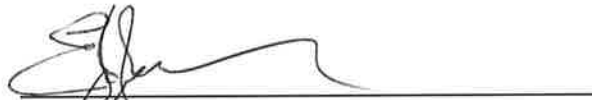
Pay the Bills: As previously approved by the Board, the following bills were paid:

Checks Written on Operations Account #0751-690363

**Harris County WCID #99 GOF
Checks Presented
October 16, 2018**

Num	Name	Description	Amount
11758	Center Point Energy	Utilities	-33.88
11759	DXI Industries, Inc.	Chemicals	-421.97
11760	Eagle Water Management, Inc.	STP / WP Maintenance	-15,977.12
11761	ETI Bookkeeping Services	Bookkeeper Fee	-700.00
11762	Johnson Petrov LLP	Legal Fee	-1,977.88
11763	Lawna & More	STP / WP Mowung Contract	-345.00
11764	Neil Technical Services Corp	STP / WP Maintenance	-297.00
11765	North Harris County Regional Water Author	WP Purchased Water	-14,881.20
11766	Reliant Energy	WP Electricity	-15.71
11767	Reliant Energy 1 500 965-7	STP Electricity	-1,943.20
11768	Reliant Energy 1 505 184-0	STP Electricity	-1,928.26
11769	Verizon	Telephone	-62.73
11770	Vogt Engineering	Engineer Fee	-6,067.81
11771	Waste Connections of Texas	STP Dumpster Fee	-188.83
11772	Rudy Pleytez	Bullder Deposit Refund	-1,000.00
11773	Christine K Hendricks	Customer Deposit Refund	-73.30
11774	Chung Qui Vu	Customer Deposit Refund	-119.04
11775	Russell Clark Odom	Customer Deposit Refund	-30.26
11776	Vasilios T Goudas	Customer Deposit Refund	-88.26
11777	Billy R Fritsche	Director Fee	-138.53
11778	Charles L Richardson	Director Fee	-138.53
11779	Monte L Cooper	Director Fee	-138.53
11780	Timothy P. Evans	Director Fee	-138.53
			-48,505.57

PASSED AND APPROVED on the 20th day of November, 2018.



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 October 16, 2018**

[DISTRICT SEAL]

