

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

NOVEMBER 17, 2020

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 7:00 p.m., by Teleconference, on Tuesday, November 17, 2020, pursuant to notice of said meeting posted in accordance with the Governor's Executive Orders regarding holding Open Meetings via Teleconference for the protection of public health and safety during the COVID-19 pandemic; 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 Jensen, thus constituting a quorum. Also attending all or portions of the meeting by teleconference were: Karen Long of Equi-Tax, Inc., bookkeeper for the District ("Equi-Tax"); Debbie Bessire of Equi-Tax, Inc., tax assessor-collector for the District ("Equi-Tax"); Zachary A. Petrov and Marisa L. Roberts, legal assistant, attorneys for the District ("Johnson Petrov" and/or "Attorney"); Mike Plunkett of Eagle Water Management, Inc., operator for the District ("Operator" and/or "Eagle Water"); Sergio Van Dusen, P.E. and Caitlin Bobb, EIT of Vogt Engineering, L.P., engineers for the District ("Engineer" and/or "Vogt"); Tom Riddle, George Galindo, Mike Kiger and Tom Emanis 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 regular meeting minutes held on October 20, 2020; a copy of which was previously distributed to the Board.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting held on October 20, 2020.

2. Constable's Report. Deputy Ryan reviewed the October Constable's Report with the Board and responded to question from the Board.

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

3. Election Agenda. Mr. Petrov directed the Board to consider certain Election Agenda matters.

Mr. Petrov reviewed the returns from Harris County, he then reviewed the Order Canvassing Returns and Declaring Results of the Election Directors of Tuesday, November 3, 2020. A copy of which is attached hereto as Exhibit "A". The returns from Harris County had declared that George Galindo and Thomas Riddle as the two (2) individuals with the most votes and would therefore serve as Directors of the District for a four (4) year term ending May 2024.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board adopted the Order Canvassing Returns and Declaring Results of the Election Directors of Tuesday, November 3, 2020.

Mr. Petrov then presented the Director Qualification Affidavits thereby verifying Mr. Galindo and Mr. Riddle's 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 Galindo and Riddle, copies of which are attached as Exhibit "A-1."

e. Next, Mr. Petrov then inquired if the Board would like to change the slate of officers and stated the officers of secretary, treasurer, investment officer, and assistant secretary are vacant. Director Fritsche nominated Director Galindo as Secretary and Director Riddle as Assistant Secretary, Treasurer and Investment Officer, which was seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved appointing Director Galindo as Secretary, and Director Riddle as Assistant Secretary, Treasurer and Investment Officer.

4. Bookkeeper's Report/Investment Report/Energy Usage Report. Ms. Long presented to and reviewed with the Board, the Bookkeeper's Report, Investment Report and Energy Usage Report for the previous month, copies of which are attached hereto collectively as Exhibit "B."

a. Ms. Long reported that TexPool is paying 0.1335% interest and the net asset value is 1.00027%.

Upon motion by Director Fritsche seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board 1) approved the Bookkeeper's Report, Investment Report, and Energy Usage Report, as presented, 2) authorized the payment of checks numbered 12483 through 12511 from the Operating Account.

5. Tax Assessor-Collector's Report. Ms. Bessire presented and reviewed with the Board, the Tax Assessor-Collector's Report, a copy of which is attached hereto collectively as Exhibit "C." She reported the 2020 certified values of \$97,557,687 and uncertified values of \$5,417,133.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board approved the Tax Assessor-Collector Report.

6. Operator's Report. Mr. Plunkett presented the Operations Report, a copy of which is attached hereto as Exhibit "D."

Mr. Plunkett stated that Well No. 1 was placed in the lead, which will continue on until April or May of next year, then they will put Well No. 2 back online. Mr. Plunkett reported the average daily flow at the sewer plant during the previous month was 65,000 G.P.D, which is 29% of current capacity. He also reported the pumped to billed ratio was 97.51% at the water

plant. He reported 49,000 gallons of sludge was hauled. There were no excursions reported for the month of October.

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

Mr. Plunkett presented and reviewed the disconnection list and stated that out of the twenty-nine (29) accounts listed. Mr. Plunkett requested the Board authorization termination of the non-payment accounts.

Mr. Plunkett reminded the board about the two customer requests last month (19007 Casper Drive and 202 E. North Hill Drive) for a billing adjustment due to water leaks and Mr. Plunkett recommended charging them \$1.00 per 1,000 gallons usage over the minimum to cover the cost of the water, with no adjustment for the regional water fee, which is a pass-thru fee.

Discussion ensued.

Upon motion by Director Cooper, seconded by Director Fritsche, after full discussion and with all Directors present voting aye, the Board accepted Mr. Plunkett's recommendation to charge \$1.00 per 1,000 gallons usage over the minimum to cover the cost of water for the properties at 19007 Casper Drive and 202 E. North Hill Drive for the months requested.

There was an oil leak on the generator at the Water Plant, DLD services made the repairs, which required removing several hoses, including cleaning the injectors, coolant hoses and semi-annual maintenance.

He also reviewed and presented a cost estimate to either repair or replace Lift Pump #1 at the WWTP. The cost to repair it is \$5,150.00 vs. the cost to replace and install a new pump is \$8,841.00 from NTS Pumps, Motors and Controls. He recommends repairing it and explained that once you factor in the cost of a rental pump of approximately \$1,600 over the 6-8 weeks, it is a cost saving to repair it. This pump is only 8 years old and the life expectancy is 20 plus years.

Mr. Plunkett reviewed and presented a cost estimate to repair Blower #1 in the amount of \$6,975.00 from Elite Pumps and Mechanical Services, LLC.

Discussion ensued. It was stated that the compressors/blowers can be reused with the new plant.

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the cost estimate to repair Lift Pump #1 in the amount of \$5,150.00 from NTS Pumps, Motors and Controls and the cost estimate to repair Blower #1 in the amount of \$6,975.00 from Elite Pumps and Mechanical Services, LLC.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board, 1) approved the Operator's Report; and 2) after confirming with the Operator that notice had been delivered by the Operator to each person on the list notifying them that they could appear before the Board to discuss termination of services and that services could be terminated at any time after this meeting, and determining that no one appeared at the meeting for such purpose, the Board approved the termination list

and authorized the Operator to terminate service as required by the Rate Order to all customers who appear on the list.

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

Mr. Van Dusen reviewed the Engineer's Report with the Board. He responded to questions from the Board.

Waterline Extension Along Cypresswood. Mr. Van Dusen stated they are ready to start bidding, hopefully mid-December.

New Wastewater Treatment Plant. TCEQ has approved the plans. The hydraulic models of the Cypress Creek Floodplain are pending.

HCFCF Casper Drive Road Repair. Mr. Van Dusen updated the Board and reported that HCFCF provided a Geotechnical Report.

Sanitary Sewer Crossing Lemm Gully. Mr. Van Dusen stated that Narego Engineering is preparing a schematic for pricing.

Lynwood Estates Subdivision Drainage Assessment and Michael Baker Report on Cypress Creek. Mr. Van Dusen stated that he received some additional requests for information from HCFCF on the regional detention. It looks like they are looking in the Casper Lane area. It looks like they are no longer looking at the property that was initially discussed to swap.

Spring ISD ("SISD") Annexation. Mr. Van Dusen provided their attorney with revised usage analysis and revised compensation to service McNabb Elementary and the Hardy Road tracts.

Sanitary Control Easement. Mr. Van Dusen stated that TCEQ approval is still pending. See Engineer's Report.

Existing Water Treatment Plant (WTP). The Operator provided yearly well reports, and all is rated good or better.

b. Status of Bond Application. Mr. Van Dusen stated that he did hear back from the TCEQ and is expecting approval any day now.

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

8. Old Business.

a. Annexation Request by Spring ISD (the "School District"). Mr. Petrov stated that after last month's meeting, Mr. Johnson sent the attorney and the Director of Operations the allocation of ESFCs and we have not heard back from their attorney or the Director of Operations.

b. Update on DreamLab Development LLC. Nothing new to report at this time.

9. Public Comment.

Members of the Board and the public were given an opportunity to speak under Public Comment.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 7:55 P.M.

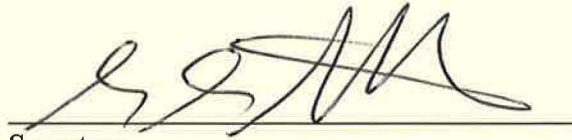
Pay the Bills: As previously approved by the Board, the following bills were paid:

Checks Written on Operations Account #0751-690363

**Harris County WCID #99 GOF
Custom Transaction Detail Report
November 17, 2020**

| Num | Name | Description | Amount |
|--------------|---|-------------------------|--------------------|
| 12483 | Billy R Fritsche | Director Fee | -138.52 |
| 12484 | Charles L Richardson | Director Fee | -300.22 |
| 12485 | Monte L Cooper | Director Fee | -138.53 |
| 12486 | Timothy P. Evans | Director Fee | -138.52 |
| 12487 | Center Point Energy 4610016-0 | Utilities | -40.57 |
| 12488 | CFI Services Inc | STP Maintenance | -790.66 |
| 12489 | Direct Waste Solutions | Garbage Collection | -9,102.00 |
| 12490 | DXI Industries, Inc. | Chemical | -60.00 |
| 12491 | Eagle Water Management, Inc. | Operator Fee | -12,377.71 |
| 12492 | Elite Pumps & Mechanical Services | Maintenance & Repair | -2,830.00 |
| 12493 | ETI Bookkeeping Services | Bookkeeping Fee | -700.00 |
| 12494 | G-M Inspection Services, Inc. | Maintenance & Repair | -1,075.00 |
| 12495 | Harris County Treasurer | Security | -6,046.00 |
| 12496 | Hudson Energy 300046453 | Utilities | -1,656.59 |
| 12497 | Hudson energy 300046454 | Utilities | -30.67 |
| 12498 | Hudson Energy 300046455 | Utilities | -2,203.20 |
| 12499 | Lawns & More | Mowing | -720.00 |
| 12500 | Magna Flow Environmental, Inc. | Sludge Hauling | -2,895.00 |
| 12501 | Nell Technical Services Corp | Maintenance & Repair | -6,136.00 |
| 12502 | North Harris County Regional Water Author | NHCRWA Fee | -22,554.75 |
| 12503 | Texas Commission on Environmental Quality | Water System Permit | -1,307.26 |
| 12504 | Verizon | Telephone | -65.10 |
| 12505 | Vogt Engineering | Engineering Fee | -45,455.56 |
| 12506 | Waste Connections of Texas | STP Dumpster | -251.66 |
| 12507 | Christine Rogers | Customer Deposit Refund | -47.46 |
| 12508 | Emily Terry | Customer Deposit Refund | -100.00 |
| 12509 | John Henry Castillo | Customer Deposit Refund | -133.42 |
| 12510 | Margaret Munger Austin | Customer Deposit Refund | -156.82 |
| 12511 | Tammy Rose Garofano | Customer Deposit Refund | -150.00 |
| Total | | | -117,401.22 |

PASSED AND APPROVED on the 15th day of December, 2020.



Secretary
Board of Directors

EXHIBITS:

- A - Order Canvassing Returns and Declaring Results of the Election Directors, November 3, 2020
- A-1 - Director Qualification Affidavits and Statements of Elected/Appointed Officer/Oaths
- B - Bookkeeper's Report, Investment Report, Energy Report
- C - Tax Assessor Collector Report
- D - Operations Report
- E - Engineer's Report

Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session November 17, 2020

