

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 16, 2021

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, February 16, 2021, 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
George Galindo	Secretary
Thomas Riddle	Assistant 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 by teleconference were: Andrew P. Johnson, III and Zachary A. Petrov, attorneys, Marisa L. Roberts, legal assistant, 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"); Deputy Z. Ryan of the Harris County Constable's Office ("HCCO"); and John Howell of The GMS Group, L.L.C., financial advisor for the District ("Financial Advisor").

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 January 19, 2020; a copy of which was previously distributed to the Board.

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting held on January 19, 2020, subject to a correction.

2. Financial Advisor Report.

Mr. Howell presented to and reviewed with the Board Preliminary Official Statement, a copy of which is attached hereto as Exhibit "A". Mr. Howell explained the next steps for the bond sale. Mr. Howell stated that he has submitted credit packages and that the District should receive a rating of BAAA from Moody and AA uninsured. He then reviewed the draft preliminary official statement.

Mr. Howell next explains a Notice of Sale, that it basically summarizes the terms and conditions for an underwriter if they buy and bid on the bonds. He then reviewed the schedule for financing, which is subject to additional revisions.

Mr. Johnson asked Mr. Howell to explain the tax rate projections prior to the bond election to today's tax rate projections. Mr. Howell responded that during the Town Hall meetings, a \$0.37 debt service tax rate was projected, because at that time, negotiations with Spring ISD (SISD) had not occurred, but with payments received from SISD, Mr. Howell estimates a debt service tax rate of approximately \$0.25.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved the adoption the Preliminary Official Statement as presented, authorizing the Financial Advisor to advertise for the sale of the Series 2021 Bonds, and take appropriate action in connection with same, and approve the Notice of Sale and authorize distribution thereof.

3. Constable's Report.

a. Deputy Ryan reviewed the January Constable's Report with the Board and responded to questions from the Board.

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

Director Fritsche requested the Board to approve the Audit Committee, which includes the Vice President and the Secretary, to work with the Bookkeeper on the proposed budget.

Upon motion by Director Cooper seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board authorized the Audit Committee, which includes the Vice President and the Secretary, to work with the Bookkeeper on the proposed budget.

Director Riddle inquired about the Budget, to which Mr. Petrov explained that the District needs to adopt a budget prior to the next fiscal year, but that the budget can be amended at any time by the Board.

The Board tabled review and approval of the Bookkeeper's Report and Tax Assessor Report as there are no representatives present due to the winter storm and possible loss of power.

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

Mr. Plunkett reported the total monthly pumpage for January was 3,455,000 gallons for Well No. 1; and the average daily flow at the sewer plant during the previous month was 66,000 G.P.D, which is 29.0% of current capacity. There were no excursion for the month. He also reported the pumped to billed ratio was 83.48% at the water plant. Mr. Plunkett stated he is rerunning the numbers to confirm this. No sludge was hauled for the month of January.

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 eighteen (18) accounts listed, ten (10) had paid. Mr. Plunkett requested that the Board authorize termination of the remaining accounts for non-payment.

Mr. Plunkett stated that here were some issues with the standby generator at the Water Plant. It was running fine just prior to the storm, however, Eagle Water had a standby generator as a back-up, if needed. There was a water leak at the Water Plant in the chlorine room which has been repaired. Mr. Plunkett stated that there was some freeze damage at the back flow preventor at the WWTP. Mr. Plunkett thanked Director Galindo for his assistance.

Mr. Van Dusen inquired about the lift station at McNabb, does the District treat the discharge? Mr. Plunkett responded no. Discussion ensued.

Mr. Plunkett stated that he is still actively working on identifying the distribution valves.

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

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board, 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 remain unpaid.

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

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 reported that the easement has been recorded and the contract documents completed and signed by all parties. He anticipates construction to begin in March.

New Wastewater Treatment Plant. Mr. Van Dusen stated Vogt Engineering is ready to bid.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board authorized Vogt Engineering to proceed with the bidding of the Wastewater Treatment Plant.

HCFCDC Casper Drive Road Repair. Mr. Van Dusen reported there is a lot of movement, in that the Timber Lane attorney found some documentation that proves the road is owned by Harris County, and the HCFCDC attorney is reviewing the documentation. Director Fritsche inquired, if the County owns the road, why would the District contribute to any repairs. Mr. Van Dusen responded, because the County has not accepted the road in its maintenance log.

Sanitary Sewer Crossing Lemm Gully. Mr. Van Dusen reported that the plans are being fine-tuned and that an erosion control expert has been hired to assist with the completion of the plans.

Lynwood Estates Subdivision Drainage Assessment and Michael Baker Report on Cypress Creek: No progress at this time.

Spring ISD ("SISD") Annexation. Vogt is working with Johnson Petrov on SISD's request.

Sanitary Control Easement. Mr. Van Dusen noted that Eagle Water received correspondence from the TCEQ stating the District has sixty (60) days to correct. Mr. Petrov stated that a Sanitary Control Order will be prepared for the three (3) properties within the District, because that can be enforced, the issue is that the Sanitary Control Order for three (3) properties outside the of the District is not enforceable. Mr. Petrov recommended that the request be sent by certified mail to the properties outside the District requesting the easement, and if they say no, then we apply for the exception. This will be on next month's agenda.

Bond Application Report. Vogt is working with the Financial Advisor to provide all requested documentation for the preliminary official statement.

Review of Cypresswood Detention Pond (Dresher Pond) Design. Mr. Van Dusen reported that once construction is complete, the erosion control measures will be removed, thus improving the drainage of any standing water. Vogt will continue monitoring.

Sewer Line from Dresher to Lockridge. Vogt Engineering will work with Eagle Water to bid the work.

Cypresswood Apartment Sewer Tie-In Design. Mr. Van Dusen stated the project is ongoing.

Fill in Property within Casper Lane Estates: Vogt received a service request on Casper Lane Estates. There have been some complaints about this project, including blocking drainage. They do not have a Harris County permit for the fill. Mr. Van Dusen stated that he feels it is prudent to not provide service until they show they have complied with all regulations.

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.

6. New Business.

a. Request Proposal from Auditor for Fiscal Year Ending March 31, 2021. Ms. Roberts stated she would contact the auditor regarding the estimated costs for the audit for the fiscal year ending March 31, 2021.

b. Review Values of District Facilities by Engineer for Audit Purposes. Mr. Johnson stated that the auditor and engineer will work on. Mr. Van Dusen stated that he has received the form and completed and return same.

c. Approve Insurance Proposal (Expires April 2021). Ms. Roberts stated she would obtain an insurance renewal proposal from McDonald & Wessendorff.

7. Old Business.

a. Annexation Request by SISD.

Mr. Johnson distributed and reviewed the Annexation Agreement and the Capital Improvements and Service Agreement, which has been provided to SISD. Mr. Hutton confirmed that the agreements seem to be in line with prior discussions, including an agreement to pay 35% of the debt service of our existing bonds. Secondly, Mr. Johnson also stated that the \$881,000 buy-in will be financed by the District at the bond rate over twenty (20) years, which should furnish approximately \$50,000 to \$60,000 annually to the District's bottom line. Thirdly, SISD asked if the District would plan, construct, own and maintain the line to the bus barn and SISD will pay it back over twenty (20) years. Also, if the District issued any future bond issues, SISD will pay its pro rata share. SISD will review at their Workshop on March 4th and hopefully approve the agreements at their regular meeting on March 9th.

b. Fidelis Realty Partners.

This is an ongoing project with Dream Lab.

8. Executive Session. Executive Session was not deemed necessary at this time.

9. Bookkeeper's Report/Investment Report/Energy Usage Report.

The Board reviewed the Bookkeeper's Report, Investment Report and Energy Usage Report, which was prepared by ETI Bookkeeping Services for the previous month, copies of which are attached hereto collectively as Exhibit "D," and the Tax Assessor-Collector's Report, prepared by Equi-Tax, Inc., a copy of which is attached hereto as Exhibit "E".

Upon motion by Director Richardson seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board: 1) approved the Bookkeeper's Report, Investment Report, and Energy Usage Report, as presented; and 2) authorized the payment of checks numbered 12559 through 12579 from the Operating Account; and 3) approved the Tax Assessor-Collector Report.

10. Public Comment.

There were no members of the public present.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 8:20 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

Checks Presented

February 16, 2021

Num	Name	Description	Amount
12559	Billy R Fritsche	Director Fee	-138.53
12560	Charles L Richardson	Director Fee	-301.23
12561	Monte L Cooper	Director Fee	-138.53
	George Gallindo	Director Fee	0.00
	Thomas Riddle	Director Fee	0.00
12562	Center Point Energy 4610016-0	Utilities	-27.27
12563	CFI Services Inc	STP Maintenance & Repairs	-1,626.45
12564	Direct Waste Solutions	Garbage Collection	-9,102.00
12565	DXI Industries, Inc.	Chemicals	-411.97
12566	Eagle Water Management, Inc.	Operators Fee	-9,535.64
12567	Elite Pumps & Mechanical Services	Maintenance & Repairs	-760.00
12568	Equi-Tax Inc	Tax Assessor Fee	-200.00
12569	ETI Bookkeeping Services	Bookkeeping Fee	-700.00
12570	Hudson Energy 300046453	Utilities	-2,091.99
12571	Hudson energy 300046454	Utilities	-16.99
12572	Hudson Energy 300046455	Utilities	-1,469.06
12573	Neil Technical Services Corp	Maintenance & Repairs	-1,850.00
12574	North Harris County Regional Water Author	NHCRWA Fee	-14,683.75
12575	Source Point Solutions, Inc.	Maintenance & Repairs	-600.00
12576	Tackle Construction Co., Inc	Maintenance & Repairs	-1,634.26
12577	Verizon	Telephone	-65.97
12578	Vogt Engineering	Engineering Fee	-33,451.06
12579	Waste Connections of Texas	STP Dumpster	-251.66
Total			-79,056.36

PASSED AND APPROVED on the 16th day of March, 2021.



Secretary
Board of Directors

EXHIBITS:

- A - Preliminary Official Statement and Notice of Sale
- B - Operations Report
- C - Engineer's Report
- D - Bookkeeper's Report, Investment Report, Energy Report
- E - Tax Assessor Collector Report

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session February 16, 2021**

[DISTRICT SEAL]

