

# **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99**

## **MINUTES OF MEETING OF BOARD OF DIRECTORS**

**MAY 18, 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, May 18, 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: 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"); Andrew P. Johnson 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 Tyler Reeves of Vogt Engineering, L.P., engineers for the District ("Engineer" and/or "Vogt"); Lt. Flores and Deputy Z. Ryan of the Harris County Constable's Office ("HCCO"); and Mike Kiger, Tom Emanis, Gary Lemm and Laurie Garza, 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 April 20, 2021, a copy of which was previously distributed to the Board.

Upon motion by Director Fritsche, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting held on April 20, 2021.

2. Constable's Report. Deputy Ryan reviewed the April Constable's Report with the Board and responded to questions 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. 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 "A."

a. Ms. Long reported that TexPool is paying 0.0135% interest and the net asset value is 1.00015%.

Upon motion by Director Fritsche seconded by Director Richardson, 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 12641 through 12669 from the Operating Account.

b. Ms. Long recommended the Board approve the Depository Pledge Agreement with Central Bank, a copy of which is attached hereto as Exhibit "A-1," and transfer bank accounts to Central Bank because BBVA is no longer accepting public funds. Mr. Petrov explained that a Depository Pledge Agreement provides security of the District's funds as required by state law.

Upon motion by Director Fritsche seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Depository Pledge Agreement with Central Bank and transfer bank accounts to Central Bank.

4. Tax Assessor-Collector's Report. Ms. Bessire presented the Tax Assessor-Collector's Report, a copy of which is attached hereto as Exhibit "B."

Ms. Bessire reported that the preliminary 2021 certified values were received the Harris County Appraisal District, and the new preliminary values as of May 20, 2021 are \$114,646,000 which is an increase of 11.15% over the prior certified value.

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

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

Mr. Plunkett reported the total monthly pumpage for April was 4,204,000 gallons; and the average daily flow at the sewer plant during the previous month was 68,000 G.P.D, which is 30.0% of current capacity. There were no excursions for the month of April. He also reported the pumped to billed ratio was 93.03% at the water plant.

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 reflecting seventeen (17) accounts listed. Mr. Plunkett requested that the Board authorize termination of any remaining accounts for non-payment.

Next, Mr. Plunkett reviewed the 2020 Consumer Confidence Report (CCR), which the deadline to file with the TCEQ is July 1, 2021, a copy is attached to the Operations Report. He also stated the report will be posted on the District's website upon Board approval, and will be made available to anyone who requests it.



Mr. Plunkett also discussed the services provided by First Billing Services. He reviewed the benefits of using First Billing Services. Mr. Plunkett recommended First Billing Services and stated that he would obtain a contract for Johnson Petrov to review. The Board tabled approval of First Billing Services until the June meeting.

Director Fritsche requested Mr. Plunkett update the Board on 646 E. Cypresswood sewer back-up. Mr. Plunkett stated that Source Point Solution, LLC came out to televise and locate the damages, which were tree roots had grown into the sanitary sewer line.

Upon motion by Director Fritsche, seconded by Director Richardson, 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 1) approved the termination list and authorized the Operator to terminate service as required by the Rate Order to all customers who remain unpaid; and 2) approved the 2020 CCR.

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

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 Macer Xpress LLC ("Macer"), has made progress on the waterline installation, including completion of the boring under Whitewood Drive and will begin tapping into the existing water line. Macer has presented a second pay application and Vogt is recommending the Board approve the second pay application in the amount of \$24,035.50, a copy of which is attached to the Engineer's Report.

New Wastewater Treatment Plant. Mr. Van Dusen stated that the contract plans, specifications and documents are ready for bidding pending Harris County approval.

HCFCD Casper Drive Road Repair. The Board reviewed and discussed the options and costs of getting the road up to County standards, including discussion with Timber Lane regarding the Road Maintenance Agreement. Director Richardson stated that originally, he was told by the County's Road and Bridge Department that the road was platted, but upon confirmation from the County, it was determined that that portion of the road is not platted, only the portion up to the bridge is platted. Director Fritsche stated that the District should initially have the landowners sign off on whatever needs to be done. Director Fritsche discussed options which include, repairing the road, because in the past there were no real issues with maintenance of the road. Another option would be to have HCFCD restore the road to its prior condition, the second option would be to accept funds offered from HCFCD, including the funds in the capital funds and the District would make the repairs; a third option would be to accept buy-out from Timber Lane to repair the road. Director Galindo asked if the cost to bring the road to County standards would be around \$400,000, which includes engineering and platting. Discussion ensued.

Upon motion by Director Fritsche, seconded by Director Galindo, after full discussion and with all Directors present unanimously voting aye, the Board will accept the funds offered



from the Harris County Flood Control District ("HCFCD") for the damages to Casper Drive Road, with no set conditions from HCFCD.

Sanitary Sewer Crossing Lemm Gully. Mr. Van Dusen reported HCFCD approved the plans for Lemm Gully Slope Stabilization project. Vogt will post the bid publicly and start receiving bids for construction.

Lynwood Estates Subdivision Drainage Assessment and Michael Baker Report on Cypress Creek: No updates since Vogt provided plans requested by the HCFCD engineer in November 2020.

Spring ISD ("SISD") Annexation. The annexation contract is finalized. Vogt approved Survtech to begin surveying operations to update the WCID 99 boundary.

Review of Cypresswood Detention Pond (Dresher Pond) Design: Once construction is complete, the erosion control measures will be removed and will improve the drainage of standing water. Work remains at the outfall and backslope swale.

Review of Drainage Concern at Dresher and Apartments Emergency Exit: After Vogt Engineering reviewed the videos of the stormwater backup, Vogt Engineering met with the Contractor, then later Vogt Engineering and Director Fritsche met with Jones and Carter to review the drainage issue. Jones and Carter will provide updated drawings showing an extreme event outfall that will allow extreme event flow to also drain under their new drive.

Sewer Line from Dresher to Lockridge: Vogt has mailed the televised inspections to Eagle Water Management for review.

Fill-in Property within Casper Lane Estates: The landowners have constructed a 4" conduit that crosses property owned by Timber Lane UD and drains into Cypress Creek. Timber Lane UD has filed a complaint with the Army Corps of Engineers. No connections will be made until all permits are provided.

Existing Water Treatment Plant (WTP). The operator provided a yearly well report. The results for Well No. 1 remain the same. The results for Well No. 2 show an improvement in hydraulic performance of the pump and overall efficiency.

Sanitary Control Easement. Mr. Van Dusen stated that the certified letters have been sent to the property owners via certified mail.

New Water Treatment Plant (New WTP). Vogt Engineering agreed to wait no longer than 60-days to allow DreamLab time to obtain a revised location for the water plant site.

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

Mr. Van Dusen requested the Board to authorized payment of Macer's second pay application in the amount of \$24,035.50, a copy of which is attached to the Engineer's Report.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board approved Macer's second pay application in the amount of \$24,035.50.



7. New Business.

a. Capital Contribution and Service Agreement (the "Agreement") with Spring Independent School District ("SISD"). Mr. Johnson reported that the school district informed Johnson Petrov that all of the documents have been signed and we expect to receive those in the next day or so. Mr. Johnson thanked the Board for being so patient as this was a long process.

b. Rate Order Amendment, as deemed necessary. Mr. Petrov stated that he worked with the Audit Committee, which was with Directors Fritsche and Galindo. One of the recommended changes was to add a surcharge to out-of-district customer based on the District's tax rate. Mr. Petrov reviewed a redline of the recommended changes, a copy of which is attached hereto as Exhibit "E." He explained that out-of-district customers would be paying what in-district customers will once the debt service tax is levied in September or October. Next, Mr. Petrov explained that the apartments will pay per unit, with an additional \$5.00 charge added to the sewer for maintenance of the detention pond. Mr. Petrov then stated the sewer rate does not include garbage. Mr. Petrov continued to review the amendments related to the school. The school will have three (3) separate meters and stated that since the school has its own security and trash, the District will not charge the school a fee for security or trash. Discussion ensued.

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present unanimously voting aye, the Board accept the Audit Committee's recommended revisions to the rate order dated May 18, 2021 to add a tiered rate structure to the apartments similar to the school's tier rate structure.

c. Fidelis Realty Partners Development Update. No additional updates at this time.

d. Audit Committee Update. See above.

8. New Business.

a. Discussion and possible action regarding allowing access to the District's Facilities for meetings. Mr. Petrov stated in the past, the Civic Club had used the District's facilities for its meetings. Mr. Petrov stated that the TCEQ requires a water plant site to be secured when unattended and at night. He also stated that from a liability standpoint as well as an engineering and operations standpoint that having children or an event or party with alcohol would not be favorable on an active water site. A limit of who can access the property to non-profit organizations that are part of the neighborhood as well as having a Board member present would be advised. Discussion ensued. Director Richardson recommended that anyone wanting to utilize the facilities would need to present an insurance policy. Director Riddle suggested building a fence to protect the District's facilities. Mr. Plunkett stated that would be possible to build a fence, and keep the north entrance closed. The Board then referred the matter to the audit committee for further discussion to consider the fence issues, security measures, insurance costs, and non-profit organizations only, as well having a Board member present.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board appointed the Audit Committee to discuss the fence issues, security measures, insurance costs, and non-profit organizations only, as well having a Board member present and report back in June.



b. Resume In-Person Board Meetings. Mr. Petrov explained that the District can still meet remotely. Mr. Petrov stated that some District's meeting in person, remotely and some do both. Discussion ensued.

Upon motion by Director Cooper, seconded by Director Riddle, after full discussion and with all Directors present unanimously voting aye, the Board will resume to In-Person Board Meetings.

c. Drought Contingency Plan (the "Plan"). Mr. Petrov stated that if the District has over 3,000 connections, the plan is required to be filed with the TCEQ, if the District has less than 3,000 connections, it is required to review the Plan every five (5) years and have the Plan available upon TCEQ inspection and/or upon TCEQ request. Upon review of the District's files, the Plan was reviewed in 2019. Director Fritsche had requested inclusion of a long-range plan water well, which simply stated if one of the two water wells fail, that the Operator has a plan in place to continue service to its customers. Therefore, the District has complied with its five (5) review, but at any time that the District determines that it would like to amend the policy, it can. The next required review would be in 2024. Director Riddle stated that there did not appear to be a provision for the Plan to be posted on the District's website. Director Riddle then commented on the triggers of not being able to meet the water demand, he felt that the language should be clarified. Director Riddle will prepare his recommendations and present them at the July board meeting.

d. Ethics Policy (the "Policy"). Mr. Petrov stated he was contacted by the Bookkeeper for clarification of the Ethics Policy. The Policy had incomplete or missing information and Mr. Petrov stated that he can work with an appointed committee to update the Policy. This item was tabled until the June Board of Director's meeting.

9. Next, the President directed the Board's attention to Public Comment. There was no public comment at this time.

As of 9:02 p.m., the President requested a motion to Enter Executive Session.

Director Fritsche made a motion to enter Executive Session pursuant to Section 551.072 of the Texas Government Code concerning real property; seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board authorized entering into Executive Session.

As of 9:28 p.m., the President declared the Executive Session was ended and the public session resumed.

Upon motion by Director Fritsche, seconded by Director Richardson, after full discussion and with all Directors present unanimously voting aye, the Board appointed Director Fritsche to approach the Board of Directors of Timber Lane UD regarding negotiation of a buy-out and possible termination of the Road Maintenance Agreement.

Directors Galindo and Richardson have agreed to visit with the landowners regarding obtaining easements pertaining to routes for the Spring ISD Bus Barn.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,**  
the meeting was adjourned at 9:32 P.M.

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

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

**PASSED AND APPROVED** on the 15th day of June, 2021.

  
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Secretary  
Board of Directors

**EXHIBITS:**

- A - Bookkeeper's Report, Investment Report, Energy Report
- A-1 - Depository Pledge Agreement with Central Bank
- B - Tax Assessor Collector Report
- C - Operations Report
- D - Engineer's Report
- E - Rate Order Amendment

**Minutes recorded by Marisa L. Roberts  
Johnson Petrov LLP  
Regular Session May 18, 2021**

**[DISTRICT SEAL]**

