

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

AUGUST 17, 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 at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, August 17, 2021, 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
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 attorney, 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"); John Howell of The GMS Group, L.L.C. ("Financial Advisor"); and residents of the District (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 July 20, 2021, 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 July 20, 2021.

2. Constable's Report. Deputy Ryan reviewed the July Constable's Report with the Board and responded to questions from 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 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 0.0189% interest and the net asset value is 1.00010%. There were discussions regarding the negative balance on the 9th grade campus deposit and on the Bond Application Report cost surplus. Ms. Long will report back to the Board on those items at the next meeting.

Upon motion by Director Galindo 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; and 2) authorized the payment of checks numbered 12724 through 12746 from the Operating Account.

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 received the certified values from the Harris County Appraisal District, which is \$101,118,754.00 taxable value within the District.

Upon motion by Director Fritsche seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board 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 July was 4,744,000 gallons; and the average daily flow at the sewer plant during the previous month was 119,000 GPD, which is 53.0% of current capacity. There were no excursions for the month of July. He also reported the pumped to billed ratio was 93.03% at the water plant.

Mr. Plunkett stated that he received a letter from S. Horton (19315 Lockridge Dr.) requesting the District adjust her excessively high water bill, which was due to leak toilets as a result of the freeze, which was not properly repaired. Mr. Plunkett requested the Board consider the normal monthly or average usage be billed plus \$1.00 per 1,000, which covers the costs to produce, eliminate 10% surcharge for the RWA rate and waive past due and late fees. Discussion ensued.

Upon motion by Director Fritsche seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board the 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 property at 19315 Lockridge Dr. for the current and next month's bill.

Next, Mr. Plunkett presented a cost estimate for the repair of Blower #2 at the WWTP in the amount of \$9,053.00, including installation.

Upon motion by Director Fritsche seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved the repair of Blower #2 at the WWTP in the amount of \$9,053.00.

Mr. Plunkett updated the Board on the First Service Billing status and stated that a note will be added to the customer water bills informing them of the change and how to pay the bill.

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

Mr. Plunkett reported approximately twenty-one (21) accounts remained unpaid to date. Mr. Plunkett requested that the Board authorize termination of any remaining accounts for non-payment.

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 i) approved the termination list and authorized the Operator to terminate service as permitted by the Rate Order to all customers who remain unpaid; and ii) accepted the Operator's Report.

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 and he responded to questions from the Board.

Mr. Van Dusen reported that the new WWTP bids were received which included an Option with Casper Drive repair and an option without Casper Drive repair. Vogt Engineering recommended Option 2, which defers the roadway repair of Casper Drive and the demolition work from the current contract to a later date. Option 2 lowers the total project amount to \$2,287,843.00 by removing the Contractor responsible to repair any road damage that may occur during the construction of the new WWTP. It was also be noted that Harris County Precinct 4 will be repairing the original road damage.

Mr. Van Dusen then recommended that the Board conduct a strategy session to discuss the best approach in obtaining the easement acquisition for the Spring ISD Transportation Center. Discussion ensued. Director Cooper appointed a committee of Directors Fritsche and Galindo to work with the District's Engineer and Attorney on the easement acquisition for the Spring ISD Transportation Center.

7. Old Business.

a. Spring ISD Annexation. Mr. Johnson stated that Spring ISD was late submitting its first payment, but that payment is expected within ten (10) days.

b. Use of District Building. Director's Richardson and Galindo were appointed to work with Eagle Water on the installation of the safety chains and bollards at the south entrance of the driveway at the Water Plant and to work on reducing the cost of the sprinklers and hose bib layout along the sound wall.

c. Audit Committee. No updates at this time.

d. Update of Easement Acquisition for Services to SISD Transportation Facility. See Engineer's Report (above).

8. New Business.

a. Authorize publication of 2021 effective tax rate calculation, and establish public hearing date regarding 2021 tax rate.

Mr. Howell reviewed with the Board the Tax Recommendation for 2021, a copy of which is attached hereto as Exhibit "E". Mr. Howell noted that the District will be levying a tax against approximately \$101,118,754 of taxable value. He further stated that average home's taxable value in the District increased from approximately \$200,666 in 2020 to approximately \$219,672 in 2021. Mr. Howell recommended the Board levy the total tax of \$0.16 per year, all for debt service purposes. A \$0.16 total tax rate will result in the annual tax bill for the average homestead resident to be approximately \$351.48. Discussion ensued regarding the proposed tax rate.

Mr. Howell then discussed and reviewed the Resolution Regarding District's Tax Characterization for Year 2021 ("Resolution"), a copy of the Resolution is attached hereto as Exhibit "E-1".

Next, upon motion by Director Riddle, seconded by Director Fritsche, after full discussion and with all Directors present voting aye, the Board: (i) proposed a 2021 tax rate of \$0.16 per \$100 of assessed value; (ii) authorized publication of the Notice of a Public Hearing on the proposed tax rate of \$0.16 per \$100 of assessed value to be scheduled for the regular Board meeting in September; and (iii) approved the Resolution Regarding the District's Tax Characterization for Year 2021.


b. Director Cooper informed the Board he would be stepping down from the Board. Mr. Johnson recommended that the Board appoint a replacement Board Member within ninety (90) days after the effective date of resignation.

9. Executive Session. No Executive Session at this time.

10. Public Comment. There was no public comment.

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

PASSED AND APPROVED on the 21st day of September, 2021.



Secretary
Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report, Energy Report
- B - Tax Assessor Collector Report
- C - Operations Report,
- D - Engineer's Report
- E - Tax Recommendation for 2021
- E-1- Resolution Regarding District's Tax Characterization for Year 2021

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session August 17, 2021**

[DISTRICT SEAL]

