

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 15, 2022

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 6:33 p.m. at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, February 15, 2022, 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:

Billy Ray Fritsche	President
Charles Leroy Richardson	Vice President/Operations Maintenance Officer
George Galindo	Secretary
Thomas Riddle	Assistant Secretary/Treasurer/Investment Officer
Rick Ghinelli	Director

All members of the Board were present, thus constituting a quorum. Also attending all or portions of the meeting were: Karen Long of ETI Bookkeeping Services, bookkeeper for the District ("ETI"); Debbie Bessire of Equi-Tax, Inc., tax assessor-collector for the District ("Equi-Tax"); Andrew P. Johnson III, attorney and 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"); Deputies Z. Ryan and B. Lindley of the Harris County Constable's Office ("HCCO"); 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 January 18, 2022, a copy of which was previously distributed to the Board.

Upon motion by Director Galindo, 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 18, 2022.

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

Upon motion by Director Ghinelli, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board accepted 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. Next, Ms. Long reported that TexPool is paying 0.0376% interest and the net asset value is 0.99987%.

b. The Board tabled approving the Audit Committee's recommendations on the Budget until the March 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, with certain revisions, Investment Report, and Energy Usage Report; and 2) authorized the payment of checks numbered 13110 through 13135 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."

a. Ms. Bessire reported that 58% of the 2021 taxes had been collected as of February 14, 2022. Ms. Bessire also stated that Equi-Tax will mail out a notice to any unpaid accounts.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of check no. 2409.

b. Next, the Board discussed the Resolution Implementing Penalty for Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Tax (the "Resolution"), a copy of which is attached hereto as Exhibit "B-1". Mr. Johnson explained the timeline and recommended that the Board approve the Resolution. Discussion ensued.

Upon motion by Director Riddle, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the Resolution, including authorizing Eagle Water to include a reminder on the resident's water bill as well as a FaceBook page reminder to residents of the tax bill notice from Equi-Tax.

c. Next, Mr. Johnson presented an engagement Contract with Perdue Brandon Fielder Collins & Mott LLP ("Perdue Brandon") for Delinquent Tax Collection, a copy of which is attached hereto as Exhibit "B-2".

Upon motion by Director Galindo, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved the contract with Perdue Brandon.

d. Mr. Johnson then reviewed the Resolution Authorizing Petition Challenging Appraisal Records for the Tax Assessor/Collector to allow Equi-Tax to represent the District in matters before HCAD. A copy of the resolution is attached as Exhibit "B-3".

Upon motion by Director Riddle, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved the Resolution Authorizing Petition Challenging Appraisal Records.

e. The Board then reviewed and considered approval of the Order Determining Ad Valorem Tax Exemptions, a copy of which is attached hereto as Exhibit "B-4".

Upon motion by Director Galindo, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board agreed to retain the same tax exemptions as the previous year.

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

Mr. Plunkett reported no pumpage for Well No. 1, and the total monthly pumpage for January was 3,613,000 gallons and the average daily flow at the sewer plant during the previous month was 79,000 GPD, which is 35.0% of current capacity. There were no excursions for the month of January. He also reported the pumped to billed ratio was 91.32% 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 updated the Board regarding the issue with Well No. 1. The well was re-televised and a pin-hole was found and repaired.

Mr. Plunkett reported approximately thirty-two (32) disconnection accounts listed, and he requested the Board authorize termination of any remaining accounts for non-payment.

b. Mr. Plunkett presented a review a new rate schedule, a copy of which is attached to the Operations Report.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board the new rate schedule.

Next, Mr. Plunkett requested that the Board consider reducing the deposit amount for the Apartments Connection from three (3) times to two (2) times the deposit rate.

Upon motion by Director Galindo, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board approved reducing the deposition amount for the Apartments Connection from three (3) times to two (2) times the deposit rate.

Upon motion by Director Galindo, 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, approved the termination list and authorized the Operator to terminate service as permitted by the Rate Order to all customers who remain unpaid.

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 also reviewed and discussed with the Board the Dunn property drainage issue. The Board requested Johnson Petrov work with Spring ISD and the Holly Tree Estates HOA on the drainage issue and Vogt Engineering to determine property values.

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

7. Old Business.

- a. Emergency Repairs to District Water Well. Discussed under Operations Report.
- b. District Mowing Clean Up Contract. Directors Ghinelli and Riddle will work with the current landscaping provider and report back to the Board.
- c. Spring ISD Annexation. Mr. Johnson stated the application is still pending approval with the City of Houston.
- d. Audit Committee. No additional update at this time.
- e. Easement Acquisition for services to SISD Transportation Facility. Discussed under Engineer's Report.
- f. Sanitary Control Easement for proposed new water wells. Mr. Van Dusen presented a signed agreement from Mr. Fallah.

8. New Business.

a. TCEQ Proposed Agreed Order. Mr. Johnson reported that JP received the Proposed Agreed Order ("Proposed Order") from the TCEQ alleging that the District did not have a sanitary control easement on June 4, 2021 for its water wells. Mr. Johnson explained that the sanitary control easements only became a requirement in the last 20 years, and the District's existing wells were drilled approximately 50-60 years ago when there was no such requirement. The District has since received an exception from the TCEQ for the sanitary control easement requirement for its existing wells. There is a deadline of thirty (30) days to submit the Proposed Order.

Upon motion by Director Galindo, seconded by Director Richardson, after full discussion and with all Directors present voting aye, the Board (i) approved the penalty amount in the Proposed Order; and (ii) authorized JP to submit the Agreed Proposed Order to the TCEQ.


b. Next, the Board considered attendance at the Association of Water Board Directors – Texas (the "AWBD") Summer Conference to be held June 23-25, 2022, in Fort Worth, Texas.

Upon motion by Director Fritsche, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board authorized three (3) directors to attend the AWBD Summer Conference.

9. Public Comment. Members of the Public were given an opportunity to speak.

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

PASSED AND APPROVED on the 15th day of March, 2022.



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

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session February 15, 2022**

[DISTRICT SEAL]

