

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

MARCH 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 6:32 p.m. at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, March 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, with the exception of Directors Richardson and Riddle, thus constituting a quorum. Also attending all or portions of the meeting were: Debbie Bessire of Equi-Tax, Inc., tax assessor-collector for the District ("Equi-Tax"); Zachary Petrov, 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 February 15, 2022, a copy of which was previously distributed to the Board.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting held on February 15, 2022.

2. Constable's Report. Deputy Ryan reviewed the February Constable's Report with the Board. Deputy Lindley asked if the apartments had a courtesy officer on site. Deputy Lindley stated that HCCO usually works in conjunction with the courtesy officer, whenever possible, and will reach out to the Apartments.

Upon motion by Director Galindo, seconded by Director Ghinelli, 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. Bessire 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. Bessire reported that TexPool is paying 0.0762% interest and the net asset value is 0.99985%.

b. Ms. Bessire then reviewed the draft Budget No. 5 for fiscal year ending March 31, 2023, a copy of which is attached to the Bookkeeper's Report, and reminded the Board that the budget needed to be adopted prior to the start of the next fiscal year.

Upon motion by Director Ghinelli, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Order Adopting Budget for fiscal year ending March 31, 2023, a copy of which is attached hereto as Exhibit "A-1".

Upon motion by Director Galindo, seconded by Director Ghinelli, 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 13137 through 13162 from the Operating Account.

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

a. Ms. Bessire reported that 59.1% of the 2021 taxes had been collected as of February 28, 2022.

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 nos. 2410 thru 2414.

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 February was 3,774,000 gallons and the average daily flow at the sewer plant during the previous month was 81,000 GPD, which is 36.0% of current capacity. There were no excursions for the month of February. He also reported the pumped to billed ratio was 92.24% 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 reported that the insurance claim payment was received on the well motor.

Mr. Plunkett reported that the disconnection letters were inadvertently mailed to the wrong zip code, and therefore, residents were not notified of their opportunity to appear at the Board Meeting as required by the District's Rate Order. There were no terminations being presented this month and the letters will be resent to the delinquent customers.

b. Next, Mr. Plunkett review two (2) customer letters, one customer contacted Johnson Petrov and requested a credit of \$280.44 (reconnection and increased deposit costs), a copy of which is attached hereto as Exhibit "C-1". Board discussion ensued.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board denied the credit of \$280.44.

Mr. Plunkett stated that he received a customer letter requesting the District adjust the excessively high water bill due to a water leak the customer experienced. Mr. Plunkett recommended 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, which is consistent with previous District actions for such customers who have a leak and timely repair a leak. Discussion ensued.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board the accepted Mr. Plunkett's recommendation to the billing adjustment for the cost of water.

Upon motion by Director Ghinelli, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved 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 stated that Triple J Enterprises ("Triple J") repaired the erosion at the slope covers and Vogt evaluated the repairs and recommended the Board approve the release of retainage and issue final payment to Triple J.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board accepted Vogt's recommendation and approved the release of retainage and final payment to Triple J in the amount of \$37,225.00.

Next, Mr. Van Dusen reviewed the remainder of the Engineering Report, and responded to questions from the Board. He stated there were six (6) bidders for the Whitewood Drive Sanitary Sewer Rehabilitation Project and that the lowest qualified bidder was Texas Pride Utilities, in the amount of \$144,412.00, which was under budget. Vogt recommended the Board accept and award the contract to Texas Pride Utilities.

Upon motion by Director Ghinelli, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board accepted Vogt's recommendation and awarded the Whitewood Drive Sanitary Sewer Rehabilitation Project to the lowest qualified bidder, Texas Pride Utilities, in the amount of \$144,412.00.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including the Pay Estimate No. 5 to Sitcon Services for the WWTP in the amount of \$189,000.

7. Old Business.

a. Security Subcommittee. Director Ghinelli reviewed and presented a memorandum regarding the Security Contract with HCCO, a copy of which is attached hereto as Exhibit "E". The committee made the following recommendations: 1) Continue current contract; 2) Maintain contact and good relationship with HCCO Constables; 3) Recognize Mr. Mark Wells as a liaison with the Civic Club serving in an unofficial capacity; and 4)

Encourage residents to report issues using the CR Now app or by calling the dispatch number at 1-281-376-3472.

b. Spring ISD Annexation. No additional update at this time. Ms. Roberts will follow-up with the City of Houston.

c. Audit Committee. No additional update at this time.

d. Easement Acquisition for services to SISD Transportation Facility. Mr. Van Dusen stated there are still drainage issues with Holly Creek Estates and the Dunn property that need to be addressed. He stated that once Harris County received their equipment, the drainage ditches will be cleaned.

e. Sanitary Control Easement for proposed new water wells. Mr. Petrov stated that he and Mr. Van Dusen will have discussions with Diego Vilchis.

8. New Business.

a. Lawn Mowing Services. Next, Director Fritsche presented and reviewed a memorandum regarding amending the motion for Lawn Mowing Services, approved on June 15, 2021, a copy of which is attached hereto as Exhibit "F". Director Fritsche then reviewed a draft Reimbursement Agreement for cost of Lawn Mowing Services to the North Hill Estates Civic Club (NHECC), which would reimburse the NHECC in an amount not to exceed \$200.00 per week.

Upon motion by Director Ghinelli, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Reimbursement Agreement subject to revisions.

b. Approve Insurance Proposal. The Board reviewed the insurance proposal prepared by McDonald Wessendorff, a copy of which is attached hereto as Exhibit "G".

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the insurance renewal proposal in the amount of \$19,517.00.

c. Proposal from Auditor for fiscal year ended March 31, 2022. Ms. Roberts presented to the Board a copy of the Audit Continuance letter prepared by McCall Gibson Swedlund Barfoot ("McCall Gibson") for the audit fiscal year ended March 31, 2022, a copy of which is attached hereto as Exhibit "H". Ms. Roberts noted that the fee range is \$12,000 to \$13,000, which is a \$500 increase from the prior year.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board accepted the Audit Continuance letter from by McCall Gibson for the preparation of the audit for fiscal year ended March 31, 2022.

9. Director Fritsche then brought the Board's attention to the Supplemental Election Agenda. Mr. Petrov reviewed and presented the Order Declaring Unopposed Candidates Elected to Office and Canceling Election for the Board's adoption, a copy of which is attached hereto as Exhibit "I". Mr. Petrov stated that there were three (3) open positions up for Election in May 2022, and the District received three (3) applications to be on the ballot by the deadline of

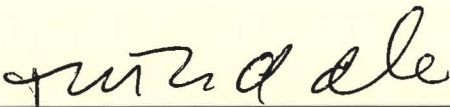
February 18, 2022 for name on the ballot and February 22, 2022 for write-in candidate. Therefore, the Election can be canceled. Mr. Petrov provided the certification as required by the Election Code.

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board adopted the Order Declaring Unopposed Candidates Elected to Office and Canceling Election, thereby canceling the Directors election scheduled for Saturday, May 7, 2022 and declaring winners with terms beginning May 2022.

10. 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 19th day of April, 2022.



Secretary
Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report, Energy Report
- A-1 - Order Adopting Budget for fiscal year ending March 31, 2023
- B - Tax Assessor Collector Report
- C - Operations Report
- C-1 - Customer Letter
- D - Engineer's Report
- E - Security Subcommittee Memo
- F - Reimbursement Agreement
- G - Insurance Renewal Proposal
- H - Audit Continuance Letter
- I - Order Declaring Unopposed Candidates Elected to Office and Canceling Election

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

[DISTRICT SEAL]

