

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

JULY 19, 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 6:30 p.m. at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, July 19, 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
George Galindo	Secretary
Thomas Riddle	Assistant Secretary/Treasurer/Investment Officer
Rick Ghinelli	Director
Terry Wright	Director

All members of the Board were present, with the exception of Director Ghinelli, thus constituting a quorum. Also attending all or portions of the meeting were: Cathi Wilbanks of ETI Bookkeeping Services, bookkeeper for the District ("ETI"); 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. of Vogt Engineering, L.P., engineers for the District ("Engineer" and/or "Vogt"); Deputies D. Richardson and Lt. G. Lindley of the Harris County Constable's Office ("HCCO"); and Michael Others with McCall Gibson Swedlund Barfoot, auditors for the District ("McCall Gibson").

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. Public Comment. There were no members of the public present.
2. Minutes. The Board reviewed the minutes of the regular meeting held on June 21, 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 regular meeting held on June 21, 2022.

3. Auditor's Report. Mr. Others presented a draft of the audit for the fiscal year ended March 31, 2022, copies of which are attached hereto as Exhibit "A." Mr. Others reported that the Auditor will issue a clean opinion and free of material misstatement and that McCall Gibson will file the audit with the TCEQ as required by the Water Code. Mr. Others noted that the District has approximately nine (9) months of operational reserves. Mr. Petrov noted that it will need to be filed with (EMMA) an electronic data base for the bonds required financial disclosures. He then responded to questions from the Board.

Upon motion by Director Riddle, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the audit report for fiscal year ended March 31, 2022 subject to certain revisions requested by Director Riddle and final review from Johnson Petrov, and authorized the legally required filings of the audit.

4. Constable's Report. Deputy Richardson reviewed the June Constable's Report with the Board. Lt. Lindley requested that the Board add the Security Contract Renewal on the August Board agenda for approval. Director Riddle stated he will meeting with a Flock representative on Monday, July 25th at 2pm. Lt. Lindley stated he could also attend the meeting.

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

5. Bookkeeper's Report/Investment Report/Energy Usage Report. Ms. Wilbanks 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 "B."

a. Next, Ms. Wilbanks reported that TexPool is paying 1.0013% interest and the net asset value is 0.99934%.

Upon motion by Director Galindo, seconded by Director Wright, 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 13256 through 13279 from the Operating Account.

6. Tax Assessor-Collector's Report. Ms. Bessire also presented and reviewed the Tax Assessor-Collector's Report, a copy of which is attached hereto as Exhibit "C."

a. Ms. Bessire reported that 85% of the 2021 taxes had been collected as of June 30, 2022. Ms. Bessire also reported that the delinquent tax attorney is working on demand letters for any accounts that remain unpaid.

Upon motion by Director Fritsche, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of check nos. 2435 thru 2437.

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

Mr. Plunkett reported the total monthly pumpage for June was 10,684,000 gallons and the average daily flow at the sewer plant during the previous month was 72,000 GPD, which is 32% of current capacity. Mr. Plunkett also reported the pumped to billed ratio was 95.37% at the water plant. No excursions for the month of June.

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

Mr. Plunkett reported approximately seven (7) disconnection accounts listed, and he requested the Board authorize termination of any remaining accounts for non-payment.

Upon motion by Director Galindo, seconded by Director Riddle, after full discussion and with all Directors present voting aye, 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 permitted by the Rate Order to all customers who remain delinquent.

Mr. Plunkett also reported that the NHCRWA has implemented a Stage 1 voluntary drought status.

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

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

Mr. Van Dusen presented and reviewed Payment Application No. 9 to Sitecon Services for the new Wastewater Treatment Plant ("WWTP") in the amount of \$515,058.30 and recommended Board approval. A copy of which is attached to the Engineer's Report.

Mr. Van Dusen reported that the attorney for HCWCID 110 reached out to him seeking partners to share the costs of a detention pond. Discussion ensued. No action was taken.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report, including Payment Application No. 9 to Sitecon Services for the new Wastewater Treatment Plant ("WWTP") in the amount of \$515,058.30.

9. New Business.

Dresher Gate / Detention Pond Meeting. This was discussed in Executive session.

10. Old Business.

a. Easements for Dunn and Miller Properties. Mr. Petrov spoke to Jim Patterson of CBRE and he provided an update to the Board. This matter will be discussed in Executive Session.

b. Easements for new Water Plant Site. The Easements have been forwarded to Diego Vilchis with Tenet and are pending review and execution.

c. Open Space Security Fence (Fritsche). Director Wright distributed to the Board several fence bids for consideration. Director Wright also reported that there is one vacant property and that he did not have a forwarding address for the property owner. No action was taken at this time.

d. Audit Committee. Director Fritsche suggested adding an additional line item on the Budget for distinguished projects. Mr. Van Dusen then stated that he would bill HCFCF separately for time spent on the Casper Drive Road Repair.

e. Information for Security Contract. Discussed under the Constable's report.

11. Executive Session. The Board called an Executive Session, closed to the public, pursuant to Section 551.072 of the Texas Government Code concerning deliberations regarding real estate property was called by the President as of 7:47 p.m. Everyone departed the meeting with the exception of the Board, Zachary Petrov, Sergio Van Dusen and Marisa Roberts.

No action was taken during the executive session.


As of 8:24 p.m., the President declared the Executive Session was closed and open session resumed in which members of the public were given the opportunity to return to the meeting.

No action was taken in Executive Session.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board adjourned the meeting.

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

PASSED AND APPROVED on the 16th day of August, 2022.



Secretary
Board of Directors

EXHIBITS:

- A - Audit Report
- B - Bookkeeper's Report, Investment Report, Energy Report
- C - Tax Assessor Collector Report
- D - Operations Report
- E - Engineer's Report

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session July 19, 2022**

[DISTRICT SEAL]

