

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

JANUARY 17, 2023

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, January 17, 2023, 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
Thomas Riddle	Vice President
George Galindo	Secretary
Rick Ghinelli	Director
Terry Wright	Director

All members of the Board were present, 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"); Lieutenants Lindley and Flores, and Deputy D. Richardson of the Harris County Constable's Office ("HCCO"); and Kyler Correia.

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 being no public comment, the Board President proceeded with the agenda.

2. Minutes. The Board reviewed the minutes of the regular meeting of December 20, 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 of December 20, 2022.

3. Constable's Report. Deputy Richardson reviewed the December Constable's Report with the Board.

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

4. 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 "A."

a. Next, Ms. Wilbanks reported that TexPool interest rate has increased and is paying 3.9799% interest and the net asset value is 0.99972%.

Upon motion by Director Galindo, seconded by Director Riddle, 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 13419 through 13437, from the Operating Account.

5. Tax Assessor-Collector and Delinquent Tax Attorney Reports. Ms. Bessire also presented and reviewed the Tax Assessor-Collector's Report, a copy of which is attached hereto as Exhibit "B."

a. Ms. Bessire reported that 42.2% of the 2022 taxes had been collected as of December 31, 2022.

The Board then reviewed the Delinquent Tax Attorney Report, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached hereto as Exhibit "C."

Upon motion by Director Galindo, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved 1) the Tax Assessor-Collector Report, including payment of check nos. 2454 thru 2457; and 2) the Delinquent Tax Attorney Report.

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

a. Mr. Plunkett reported the total monthly pumpage for December was 5,132,000 gallons and the average daily flow at the sewer plant during the previous month was 152,000 GPD, which is 68% of current capacity. Mr. Plunkett also reported the pumped to billed ratio was 95.79% at the water plant. There were no excursions for the months of November and December.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board requested Eagle Water suspend the influent testing.

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

Next, Mr. Plunkett stated that he received a customer letter (18726 Casper Drive) requesting the District adjust an excessively high water bill, due to a meter reading issue. Mr. Plunkett explained that the wrong meter had accidentally been read. Mr. Plunkett reviewed a second customer letter (239 E. N. Hill) requesting the District adjust an excessively high water bill.

Mr. Plunkett requested the Board consider the normal monthly charge for 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 Galindo seconded by Director Riddle, 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 to cover the cost of water for both the customer's request at 18726 Casper Drive and 239 E. N. Hill.

Mr. Plunkett presented and reviewed the disconnection list of sixteen (16) accounts, of which approximately twelve (12) remain unpaid.

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

7. 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 responded to questions from 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 Engineer's Report.

8. Executive Session. The Board called an Executive Session, closed to the public, pursuant to Section 551.071 of the Texas Government Code concerning consultation with attorney on attorney-client privilege matters and potential litigation on enforcement of the District's Rate Order was called by the President as of 7:33 p.m. Everyone departed the meeting with the exception of the Board, Zachary Petrov, Sergio Van Dusen and Marisa Roberts.

As of 7:43 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.

9. New Business.

a. Annual Insurance Proposal. Ms. Roberts stated she would request a renewal proposal from the insurance provider.

b. Eminent Domain Filing. Ms. Roberts reminded the Board that recently enacted SB 1812 requires public and private entities with eminent domain authority to report specific information to the Texas Comptroller by February 1, 2023. Ms. Roberts stated that Johnson Petrov has completed such filing on behalf of the District.

10. Old Business.

a. 18648 Casper Drive (the "Property") Rate Order violations and take action deemed necessary. Mr. Petrov stated that a violation notice was filed in the Harris County Real Property Records.

The Board gave Mr. Correia an opportunity to speak under Public Comment.

b. Dresher Gate/Detention Pond/Boundary Fence. The gate needs to have a lock installed. Mr. Petrov stated that he will follow-up with the property owners.

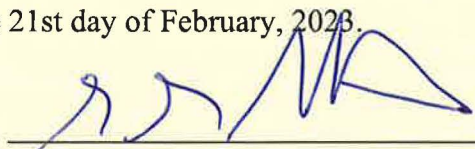
c. Easements for Dunn and Miller Properties. This was discussed under the Engineer's Report.

d. Audit Committee. The Audit Committee distributed a memorandum regarding the process for a fiscal year end budget, a copy of the memorandum is attached hereto as Exhibit "F." Director Fritsche requested an increase in the Election Expense Legal Notice from \$5,000 to \$10,000 on the draft budget. The Audit Committee recommended adding the cost of a new roof and extension/widening the service driveway at the Water Plant. Directors Fritsche and Wright will obtain bids for the roof and Directors Fritsche and Ghinelli will obtain quotes for the extension /widening the service driveway.

The meeting was adjourned at 8:16 p.m.

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

PASSED AND APPROVED on the 21st day of February, 2023.



Secretary
Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report, Energy Report
- B - Tax Assessor Collector Report
- C - Delinquent Tax Report
- D - Operations Report
- E - Engineer's Report
- F - Audit Committee Memorandum re: FYE Budget

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session January 17, 2023**

[DISTRICT SEAL]

