

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

MARCH 21, 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, March 21, 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"); 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. of Vogt Engineering, L.P., engineers for the District ("Engineer" and/or "Vogt"); Lieutenant G. Lindley and Deputy D. Richardson of the Harris County Constable's Office ("HCCO"), and John Howell of The GMS Group, L.L.C., financial advisor for the District ("Financial Advisor") joined by phone.

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 February 21, 2023, a copy of which was previously distributed to 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 minutes of the regular meeting of February 21, 2023.

3. Constable's Report. Deputy Richardson reviewed the February Constable's Report with 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 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 4.4991% interest and the net asset value is 0.99976%.

b. Adopt budget for the fiscal year ending March 31, 2024. Ms. Wilbanks then reviewed the draft Budget for fiscal year ending March 31, 2024, a copy of which is attached hereto as Exhibit "A-1".

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Order Adopting Budget for fiscal year ending March 31, 2024.

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 13470 through 13493, 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 86.7% of the 2022 taxes had been collected as of February 28, 2023. She reported that the delinquent statements were sent out.

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. 2462 thru 2467.

6. Delinquent Tax Attorney Report. 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 Riddle, after full discussion and with all Directors present voting aye, the Board approved the Delinquent Tax Attorney Report.

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

a. Mr. Plunkett then reported the total monthly pumpage for February was 4,239,000 gallons and the average daily flow at the sewer plant during the previous month was 149,000 GPD, which is 66% of current capacity. Mr. Plunkett also reported the pumped to billed ratio was 93.36% at the water plant. There were no excursions for the month February.

Mr. Plunkett reviewed a quote for the booster pump repair in the amount of \$4,871 and \$6,745 for a new pump with 30hp motor, but since the new pumps are on back order, he recommended it be repaired. He also stated that he will submit a claim to the insurance company for reimbursement.

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

Mr. Plunkett presented and reviewed the disconnection list of fourteen (14) accounts.

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: (1) the termination list and authorized the Operator to terminate service as required by the Rate Order to all customers who remain unpaid, (2) the Operator's Report, and (3) the quote for repair of the booster pump.

b. Discussion of Water Quality: LCR (Lead Copper Rule) and corrosivity.

Mr. Plunkett explained that if the District switched to surface water, which would be considered a change of water source, residents could expect descaling of copper and/or galvanized pipes, which can cause exposure of existing holes in old pipes resulting in water leaks. He also stated that the TCEQ testing rules would change in the near future. No action was taken.

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 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.

9. New Business:

a. District Financial Status/Residential Homestead Exemption. John Howell reviewed his recommendation with the Board.

(1) Order Determining Ad Valorem Tax Exemptions. Discussion ensued.

Upon motion by Director Riddle, seconded by Director Fritsche, after full discussion and with all Directors present voting aye, the Board approved a 20% residential homestead exemption.

b. Direct Waste Solutions 2024 Contract, including one (1) page flyer re: Trash Collection Service. The Board reviewed the residential waste collection guidelines and Residential Refuse Service Contract. The Board requested certain revisions to the flyer.

c. Auditor Continuance Letter regarding audit for FYE March 31, 2023.

The Board reviewed the continuance letter, and the estimated cost of the 2023 audit is between \$13,000 and \$15,000.

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board accepted the audit continuance letter.

d. Approve insurance proposal. The Board reviewed the insurance proposal prepared by McDonald Wessendorff, a copy of which is attached hereto as Exhibit "F."

Upon motion by Director Fritsche, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the insurance renewal proposal.

e. Resolution Authorizing Reimbursement of General Fund From Proceeds of A Future Bond Issue, for the funds expended on the costs associated with the lift station improvements to the Wastewater Treatment Plant and Sanitary Sewer Line extensions to serve the Spring ISD Transportation Center (the "Projects").

Upon motion by Director Galindo, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the Resolution Authorizing Reimbursement of General Fund from the Proceeds of a Future Bond Issue.

10. Old Business:

a. Dresher Gate/Detention Pond meeting/West Boundary Fence with Fidelis and Dreamlabs. Discussed under the Engineer's Report.

b. Easements for Dunn and Miller properties. The offer letters were sent to Mr. Dunn and Ms. Miller. No action was taken.

c. Ratify approval of awarding the contract to Proper Roofing and Remodeling for the replacement of the roof and gutters at the water board building.

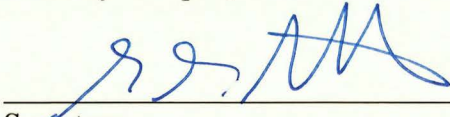
Upon motion by Director Riddle, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board ratified approval awarding the contract to Proper Roofing and Remodeling at cost not to exceed \$6,000 for the replacement of the roof and gutters, as needed at the water board building.

- Extending/widening the service driveway at the Water Plant. No action was taken at this time.

d. Audit Committee. No updates at this time.

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

PASSED AND APPROVED on the 18th day of April, 2023.



Secretary
Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report, Energy Report
- A-1 - Budget FYE 3/31/2024
- B - Tax Assessor Collector Report
- C - Operations Report
- D - Engineer's Report
- E - Order Determining Ad Valorem Tax Exemptions
- F - Insurance Renewal

**Minutes recorded by Marisa L. Roberts
Johnson Petrov LLP
Regular Session March 21, 2023**

[DISTRICT SEAL]

