

**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99**

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**JULY 18, 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, July 18, 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, with the exception of Directors Ghinelli and Galindo, 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 A. Petrov, attorney for the District and Marisa Roberts, Legal Assistant ("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, EIT of Vogt Engineering, L.P., engineer for the District ("Engineer" and/or "Vogt"); and Lieutenant G. Lindley, Deputy D. Richardson and Deputy Phillips of the Harris County Constable's Office ("HCCO"); Kyler Correia, and Richard Senasac, attorney.

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. Mr. Senasac approached the Board regarding the penalties assessed to 18648 Casper Drive and provided certain documentation for the Board's review. The President requested moving the agenda item regarding Casper Drive to the next item. After hearing no opposition from the other directors, the Board proceeded to the agenda item regarding 18648 Casper Drive.

2. Request to Reduce Penalty Assessed Against 18648 Casper for Rate Order Violations.

The Board thanked Mr. Senasac and stated the attorney would review the documentation provided and advise the Board. This item will be on the August agenda.

3. Minutes. The Board reviewed the minutes of the regular meeting of June 20, 2023 and the minutes of the special meeting of July 14, 2023, copies of which were previously distributed to the Board.

Upon motion by Director Wright, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved minutes of the regular meeting of June 20, 2023 and the minutes of the special meeting of July 14, 2023.

4. Constable's Report. Deputy Richardson reviewed the June Constable's Report with the Board. Deputy Phillips responded to questions from Director Riddle.

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

5. Audit Report. Mr. Others presented a draft of the audit for the fiscal year ended March 31, 2023, 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-ten (9-10) months of operational reserves. Mr. Petrov noted that it will need to be filed with (EMMA) an electronic database for the bonds requiring financial disclosures. Mr. Others 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, 2023 subject to final review from Johnson Petrov, and authorized the legally required filings of the audit.

6. 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."

Next, Ms. Wilbanks reported that TexPool interest rate has increased and is paying 0.99998% interest and the net asset value is 0.99982%.

Upon motion by Director Wright, 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 13562 through 13582 from the Operating Account, as well as the per diems for the special meeting of July 14, 2023 and invoice from Johnson Petrov, which will be reflected on next month's report.

7. Tax Assessor-Collector 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 93.9% of the 2022 taxes had been collected as of June 30, 2023. She also reported Wells Fargo has released securities and a levy is no longer necessary.

Upon motion by Director Wright, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of one (1) check in the amount of \$601.80.

8. Delinquent Tax Attorney Report. The Board reviewed the Delinquent Tax Attorney Report, which was prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached hereto as Exhibit "C-1."

Upon motion by Director Wright, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the Delinquent Tax Attorney Report.

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

Mr. Plunkett then reported the total monthly pumpage for June was 6,875,000 gallons and the average daily flow at the sewer plant during the previous month was 98,000 GPD, which is 44% of current capacity. Mr. Plunkett also reported the pumped to billed ratio was 90.80% at the water plant. There were 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 presented and reviewed the disconnection list of twelve (12) accounts.

Mr. Plunkett stated that Well #1 is currently out of service and in need of a new motor, he estimated the cost of replacement to be \$24,572 and estimated it would be back in service in two (2) weeks.

Upon motion by Director Fritsche, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board authorized Eagle Water Management to replace the motor for Well #1.

Upon motion by Director Fritsche, seconded by Director Wright, 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: (1) approved the termination list and authorized the Operator to terminate service as required by the Rate Order to all customers who remain unpaid.

Upon motion by Director Fritsche, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the Operations Report.

10. 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 Riddle, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report as amended.

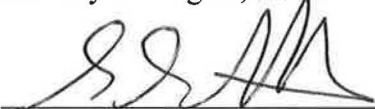
11. Old Business:

- a. Improvements at Water Production Site (19423 Lockridge Dr.). Directors Ghinelli and Riddle are working on obtaining bids. Director Riddle updated the Board on recommendations for an 8' 8" fence from Wright Fencing.
- b. Update on District Bulletin Board. Director Galindo was not present, so this updated was postponed until the August meeting.

- c. Dresher Gate/Detention Pond meeting/West Boundary Fence with Fidelis and Dreamlabs. Discussed under Engineer's Report.
- d. Easements for Dunn and Miller properties. Mr. Petrov reported that Mr. Dunn's attorney was going to submit a counter-offer by the end of the week.
- e. Audit Committee. Mr. Petrov stated that the Texas Ethics Commission increased the maximum per diem that a board may set for directors from \$150 to \$221, but it does not increase the maximum annual amount a director can receive. The annual per diem cap that a director may receive is currently set at \$7,200. He also stated that if the Board wishes to increase the per diems, the Board must amend its Ethics Policy.

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

**PASSED AND APPROVED** on the 15<sup>th</sup> day of August, 2023.

  
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Secretary  
Board of Directors

**EXHIBITS:**

- A - Audit Report
- B - Bookkeeper's Report, Investment Report, Energy Report
- C - Tax Assessor Collector Report
- C-1 - Delinquent Tax Attorney Report
- D - Operations Report
- E - Engineer's Report

**Minutes recorded by Marisa Roberts  
Johnson Petrov LLP  
Regular**

**Session**

