

# HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

## MINUTES OF MEETING OF BOARD OF DIRECTORS

**FEBRUARY 20, 2024**

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, February 20, 2024, 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"); Zachary A. Petrov, Attorney and Marisa Roberts, Paralegal ("Johnson Petrov" and/or "Attorney"); Mike Plunkett of Eagle Water Management, Inc., operator for the District ("Operator" and/or "Eagle Water"); Sergio Van Dusen, Engineer and Tyler Reeves, EIT of Vogt Engineering, L.P., engineer for the District ("Engineer" and/or "Vogt"); Deputy D. Richardson, Deputy K. Walker and Lt. Lindley of the Harris County Constable's Office ("HCCO").

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 January 16, 2024, a copy of which was previously distributed to the Board.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved minutes of the regular meeting of January 16, 2024 as presented.

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

Ms. Wilbanks reported that TexPool interest rate has increased and is paying 5.3455% interest and the net asset value is 1.00001%.

Ms. Wilbanks reviewed the draft budget no. 2 for the fiscal year ending March 31, 2025 with the Board.

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 13737 through 13763 from the Operating Account.

5. Tax Assessor-Collector Report. Ms. Wilbanks reviewed the Tax Assessor-Collector Report with the Board, a copy of which is attached hereto as Exhibits "B".

Ms. Wilbanks reported that 81.4% of the 2023 taxes and 97.8% of the 2022 taxes have been collected as of January 31, 2024.

a. Mr. Petrov reviewed with the Board the Order Implementing Penalty for Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Tax (the "Penalty Order"), a copy of which is attached hereto as Exhibit "B-1". Mr. Petrov explained the timeline and recommended that the Board approve the Resolution.

b. Mr. Petrov then reviewed the Resolution Authorizing Petition Challenging Appraisal Records for the Tax Assessor/Collector to allow Equi-Tax to represent the District in matters before HCAD. A copy of the resolution is attached as Exhibit "B-2".

c. Mr. Petrov then reviewed the Order Determining Ad Valorem Tax Exemptions ("Tax Exemption Order") and reminded the Board the Tax Exemption Order currently has the maximum homestead exemption of 20%. A copy of the Tax Exemption Order is attached as Exhibit "B-3".

Upon motion by Director Galindo seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved: 1) Order Implementing Penalty for Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Tax; and 2) the Resolution Authorizing Petition Challenging Appraisal Records; and 3) Order Determining Ad Valorem Tax Exemptions.

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.

6. Delinquent Tax Attorney Report. There was no report presented.

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

Mr. Plunkett then reported the total monthly pumpage for December was 4,971,000 gallons and the average daily flow at the sewer plant during the previous month was 162,000 GPD, which is 56% of current capacity. Mr. Plunkett also reported the pumped to billed ratio was 78.33% at the water plant. There were no excursions.

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 ten (10) accounts. Mr. Plunkett reviewed two (2) customer requests, 1) the customer on Dresher with a deferred termination from the previous month paid the \$500 and reported the leak was repaired; and 2) the customer on Dover with high usage, both requested adjustments to their accounts.

The Board then moved to discussion from Director Riddle on the Leak Adjustment and Water and Sewer Termination Policy. Discussion ensued.

Director Riddle reviewed the policy with the Board, a copy of the final policy is attached hereto as Exhibit "C-1" and will be posted on the District's website. The Board also appointed a committee that will address requests on a case-by-case basis.

Upon motion by Director Riddle, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board adopted the Leak Adjustment and Water and Sewer Termination Policy, subject to certain revisions, and appointed Directors Riddle and Wright as the committee for review of adjustment requests per said policy.

b. EPA Lead and Copper Rule Revisions and TCEQ Requirements, a copy of which is attached hereto as Exhibit "C-2." Mr. Plunkett stated Eagle Water will file the required report with the TCEQ.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board authorized Eagle Water to secure a contract for a new dumpster to be serviced.

Mr. Plunkett also reported he received two (2) quotes for the Detention Pond Maintenance, the bids included seeding and fertilization, one was in the amount of \$6,045 and the other \$10,880. He is awaiting a third bid.

Upon motion by Director Galindo, seconded by Director Wright, 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: (1) the termination list and authorized the Operator to terminate service as required by the Rate Order to all customers who remain unpaid; and (2) approved the Operations 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 "D".

Mr. Van Dusen requested the Board's approval on the Change Order to extend the well depth of an extra 400 feet. The change will add an additional \$66,000 to the original contract price.

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

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. Leak Adjustment and Water and Sewer Termination Policy.

Discussed under the Operation's Report.

b. Amended Rate Order.

The Board discussed amending the District's Rate Order to include the detention pond maintenance cost and sewer line grease clean-out.

Upon motion by Director Fritsche, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved amending the District's Rate Order to include increasing the base sewer rate by \$9.50 per connection for the apartment class to cover the detention pond maintenance cost and increased sewer line grease cleanouts from the apartments.

c. Request from Apartments regarding PILOT Agreement.

Mr. Petrov reported that he received a request from the owners of the apartment complex to amend the current deed restrictions and agreements and consider a Payment-In-Lieu-of-Tax (PILOT) Agreement, a copy of the request is attached hereto as Exhibit "E".

Discussion ensued. The Board concurred in a request for a deposit in the amount of \$20,000 to cover the District's costs in reviewing the request.

d. Conversion of the District to powers of a MUD.

Mr. Petrov presented and reviewed with the Board the process for conversion to a MUD and talked about the powers a MUD has versus a WCID. No action was taken at this time.

10. Old Business.

a. 2024 Bond Application and Use of Surplus 2021 Bond Funds.

This was discussed in the Engineer's Report.

b. Dunn and Miller Properties.

Mr. Petrov stated the Petition was filed in early January on the Dunn property and that there were title liens that are being worked through on the Miller property.

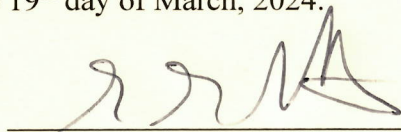
**Election Agenda:**

a. Mr. Petrov presented an Order Declaring Unopposed Candidates Elected to Office and Canceling Election, a copy of which is attached hereto as Exhibit "F", and presented certification, as required by the Election Code, that the candidates for the District's May 4, 2024 Directors Election were unopposed and the deadline to file to be on the ballot had passed.

Upon motion by Director Fritsche, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Order Declaring Unopposed Candidates and Canceling Election.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,**  
the meeting was adjourned at 9:50 p.m.

**PASSED AND APPROVED** on the 19<sup>th</sup> day of March, 2024.

  
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Secretary  
Board of Directors

**EXHIBITS:**

- A - Bookkeeper's Report, Investment Report, Energy Report
- B - Tax Assessor Collector Report
- B-1 - Order Implementing Penalty for Delinquent Taxes
- B-2 - Resolution Authorizing Petition Challenging Appraisal Records
- B-3 - Order Determining Ad Valorem Tax Exemptions
- C - Operations Report
- C-1 - Leak Adjustment and Water and Sewer Termination Policy
- C-2 - EPA Lead and Copper Requirements
- D - Engineer's Report
- E - PILOT Agreement
- F - Order Declaring Unopposed Candidates and Canceling Election

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

**Session**

**[DISTRICT SEAL]**

**February 20, 2024**

