

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

JANUARY 28, 2025

The Board of Directors (the "Board" or "Directors") of Harris County Water Control and Improvement District No. 99 (the "District") met in special session, at 6:30 p.m. at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, January 28, 2025, 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"); Zachary A. Petrov, Attorney and Marisa Roberts, Paralegal of Johnson Petrov LLP ("Johnson Petrov" and/or "Attorney"); Doug Jacobson 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., engineers for the District ("Engineer" and/or "Vogt"); Lt. Flores, Deputy Richardson, and Deputy K. Walker of the Harris County Constable's Office ("HCCO"); and several residents of the District (see sign-in sheet).

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. Members of the public were given an opportunity to speak at this time.
2. Minutes. The Board reviewed the minutes of the regular meeting of December 17, 2024, 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 the regular meeting of December 17, 2024.

3. Constable's Report. Deputy Richardson reviewed the December Constable's Report with the Board. Deputy Richardson then 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 4.5610% interest and the net asset value is 1.00014%.

Ms. Wilbanks reviewed the draft budget no. 1 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 14046 through 14066 from the Operating Account, plus a check made out to Vogt Engineering.

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

Ms. Wilbanks reported that 50.7% of the 2024 taxes and 96.5% of the 2023 taxes have been collected as of January 28, 2025.

Upon motion by Director Ghinelli, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of check no. 2539.

6. 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 "B-1." The Board reviewed the report.

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

7. Operations Report. Mr. Jacobson presented the Operations Report, a copy of which is attached hereto as Exhibit "C."

a. Mr. Jacobson then reported the total monthly pumpage for December was 4,554,000 gallons and the average daily flow at the sewer plant during the previous month was 154,000 GPD, which is 54% of current capacity. Mr. Jacobson also reported the pumped to billed ratio was 85.14% at the water plant. There were no excursions.

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

Mr. Jacobson presented and reviewed the disconnection list of fifteen (15) accounts.

Upon motion by Director Wright, seconded by Director Galindo, 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; 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 reviewed the Report with the Board and responded to questions.

Mr. Van Dusen presented and reviewed photos of the sloping of the sanitary sewer crossing of Lemm Gully and stated a quote for the emergency repair is approximately \$50,000.

Upon motion by Director Riddle, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board approved the emergency repairs to the sanitary sewer crossing of Lemm Gully in an amount not to exceed \$50,000.

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

9. New Business.

a. Ethics Policy. A copy of the most recent Ethics Policy was distributed to the Board. No action was taken at this time.

b. Eminent Domain 2025. Mr. Petrov reminded the Board that Johnson Petrov files an annual Eminent Domain Report to the Texas Comptroller pursuant to SB 1812 on behalf the District and that such filing has been completed.

c. Service to Office Condos Property on Cypresswood. This was discussed under the Engineer's Report.

10. Old Business.

a. Repair of service driveway at Water Plant. This was discussed under the Engineer's Report.

b. Conversion of the District to powers of a MUD, including discussion regarding deed restrictions. The Board reviewed and discussed the benefits of converting to a MUD, as well as working in tandem with the Civic Club.

Upon motion by Director Riddle, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, with the exception of Director Galindo, who voted Nay, the Board approved Johnson Petrov to start the conversation process subject to the Civic Club agreeing to work with the District in tandem.

c. Audit Committee. No updates at this time.

11. Executive Session. As of 8:48 p.m., Director Riddle made a motion that the Board called for an Executive Session, closed to the public, pursuant to Section 551 of the Texas Government Code - Consultation with Attorney. The motion was seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board called for an Executive Session. There were no members of the public present at this time. All Board Members present along with Zachary Petrov, Marisa Roberts, Sergio Van Dusen, Tyler Reeves and Doug Jacobson were present for Executive Session.

As of 9:21 p.m., Director Fritsche made a motion that the Board close the Executive Session and resume open session, seconded by Director Ghinelli, after full discussion and with all Directors present voting aye, the Board closed Executive Session and resumed open session.

No action was taken in Executive Session. There were no members of the public present.

Continuation of Old Business:

d. Cypresswood Apartments and Houston Housing Authority, including Deed Restriction Violation. Discussed under Executive Session.

e. PUC Docket No. 57439 and litigation counsel.

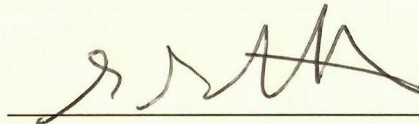
Mr. Petrov requested the Board ratify the engagement of Terrill & Waldrop to represent the District regarding the PUC Docket No. 57439 before the Public Utility Commission of Texas.

Upon motion by Director Riddle, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved ratifying the engagement of Terrill & Waldrop to represent the District regarding the PUC Docket No. 57439 before the Public Utility Commission of Texas.

f. Amend the District's Rate Order and Rules and Regulations related to service rates for all customers. No action was taken at this time.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 9:21 p.m.

PASSED AND APPROVED on the 18th day of February, 2025.



Secretary
Board of Directors

EXHIBITS:

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



Minutes recorded by Marisa Roberts
Johnson Petrov LLP
Special

Session

January 28, 2025