

**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 114**  
Minutes of Meeting of Board of Directors  
August 13, 2018

The Board of Directors of Harris County Water Control and Improvement District No. 114 (the "District") met at the board's regular meeting place on August 13, 2018 in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

Steven D. Fitzgerald, president  
James P. Sibley, vice president  
Stephen R. Feldman, secretary  
Renee Alfaro, assistant secretary  
Robert Robertson, assistant secretary

and being absent:

None

Also present were Mark Eyring of Roth & Eyring, PLLC, Vickey Sullivan of Equi Tax, Inc., Kim Shelnett of Myrtle Cruz, Inc., Denise Blase and Erica Martinez of Eagle Water Management, Inc., Tony Sarman of AEI Engineering, LLC, and Mark W. Brooks of Young & Brooks.

The president called the meeting to order and declared it open for such business as might come before the board.

**APPROVAL OF MINUTES**

Upon motion duly made, seconded and unanimously carried, the minutes of the prior meeting of July 23, 2018 were approved as presented.

**APPROVE AUDIT**

The board recognized Mark Eyring of Roth & Eyring, PLLC, who had previously distributed drafts of the District's audit for its fiscal year ending May 31, 2018. Mr. Eyring reviewed the draft audit with the board and responded to questions. After discussion was concluded, upon motion duly made, seconded and unanimously carried, the board approved the audit as presented.

**REVIEW INVESTMENT POLICIES**

The board conducted the annual review of the District's investment policy and investment strategies. The District's investment officer and auditor are not recommending any revisions. After discussion, upon motion duly made, seconded and unanimously carried, the board adopted the attached resolution reviewing investment policies and strategies.

## **CONSULTANTS MONTHLY REPORTS**

Vickey Sullivan of Equi Tax, Inc., the District's tax assessor, reported as to the status of District tax collections. Ms. Sullivan reported that the District is 98.6% collected for 2017 taxes. After discussion, upon motion duly made, seconded and unanimously carried, the board approved the tax assessor's monthly report and payment of the tax bills presented.

Kim Shelnett of Myrtle Cruz, Inc., the District's bookkeeper, presented their monthly report. She also presented to the board a list of bills for the approval of payment, a copy of which is attached hereto. After discussion, upon motion duly made, seconded and unanimously carried, the board approved said bills and ordered checks issued on the appropriate District accounts in payment thereof.

Denise Blase of Eagle Water Management, Inc. the District's operators, reported as to District operations and facilities. Ms. Blase presented a list of delinquent accounts that were delinquent by more than 60 days and reported that the customers have been given written notice 10 days prior to this meeting of the opportunity to appear before the board of directors to explain, contest or correct the utility service bill and to show reason why the utility service should not be terminated for nonpayment. None of the customers on the list were present or have presented any statement on the matter. After discussion, upon motion duly made, seconded and unanimously carried, the board authorized the operator to terminate utility service to the unpaid accounts in accordance with standard procedures.

Ms. Blase reported that the lift station no. 5 rehab project is complete.

Tony Sarman of AEI Engineering, LLC, (AEI) the District's engineers, distributed a written summary engineer's report for the meeting reflecting the status of various projects that the engineers are working on for the District. Mr. Sarman reviewed their report with the board and responded to questions.

Mr. Sarman reported that AEI is continuing with design work for the lift station no. 1 and no. 2 rehab projects as authorized by the board at the June board meeting.

## **KLEINWOOD JOINT POWERS REPORT**

Board president Steve Fitzgerald reported as to matters pending before the Kleinwood Joint Powers Board. The phase I electrical modifications at the plant are nearly complete. Final review and project close out are expected next month.

The Joint Powers Board engineer is working on the site plans and preliminary design for the Reclaimed Water Supply project, including coordination with Cypress Forest PUD for site access to the proposed distribution station. The Chapter 210 permit application has been submitted to the

TCEQ for review. The TCEQ requested and AEI is submitting separate applications for the two Providers.

**PENDING BUSINESS**

Board members Alfaro and Fitzgerald are working on a newsletter to update residents as to matters involving the District.

Board member Robertson is investigating options to develop and maintain a District website.

There being no further business to come before the board, the meeting was adjourned.

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Secretary

Attachments: Resolution Reviewing Investment Policy and Investment Strategies  
Bookkeeper's Report