

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 114
Minutes of Meeting of Board of Directors
January 14, 2019

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 January 14, 2019 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 Allen DeJonge of Off Cinco, Vickey Sullivan of Equi Tax, Inc., Kim Shelnutt of Myrtle Cruz, Inc., Mike Plunkett 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 December 10, 2018 were approved as presented.

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 99.4% 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 Shelnutt 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.

Mike Plunkett of Eagle Water Management, Inc. the District's operators, reported as to District operations and facilities. Mr. Plunkett 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.

Mr. Plunkett presented requests by the customers at 8417 Hidden Trail and 17102 Woodbark, for adjustments to their recent billings from the District which were unusually high due to leaks that have since been repaired. After discussion, the board unanimously authorized adjustments to the base rates and 90-day installment payment plans on both accounts.

Mr. Plunkett presented, recommended, and upon motion duly made, seconded and unanimously carried, the board authorized referral of four finaled delinquent accounts for collection. The board asked that the operator report as to any collections received on these accounts in 9 months.

** Mr. Fitzgerald arrived for the meeting at this point, having been delayed.

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, and they are starting preliminary engineering for the asphalt and paving repairs at water plant nos. 1 and 2, and lift station no. 5.

DISTRICT WEBSITE

The board recognized Allen DeJonge of Off Cinco. Mr. DeJonge presented their experience, qualifications, and pricing to develop and maintain a District website, and responded to questions. After discussion was concluded, the board thanked Mr. DeJonge for the presentation and asked that the agenda for the next board meeting include an item for consideration of their proposed service agreement.

KLEINWOOD JOINT POWERS REPORT

Board member Steve Fitzgerald reported as to matters pending before the Kleinwood Joint Powers Board. The plant engineers (AEI) are proceeding with design work for the phase 2 electrical

modifications at the plant, which will include replacement of Motor Control Center A. They plan to advertise for bids on the project this coming March.

Champions MUD and Champions Golf Club are reviewing options to increase the pumping capacity at the reclaimed water distribution station, to avoid the need to re-pressurize on their end. Initial costs to increase the pumping capacity under the likely option are estimated at \$200,000, and the 20 year life-cycle o&m cost increases are estimated at \$65,000. Champions Golf Club has asked whether the Joint Powers Board would consider including the additional costs to increase the pumping capacity in the capital costs that will be repaid over 66 months, rather than require they be paid up-front.

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

Secretary

Attachments: Bookkeeper's Report