

HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 116
MINUTES OF BOARD OF DIRECTORS MEETING

February 11, 2019

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 116 (the "District") met in regular session, open to the public, on Monday, February 11, 2019, at 3:00 p.m., at 5300 Coral Gables, located within the boundaries of the District, pursuant to the notice of said meeting, posted in accordance with Chapter 551, Texas Government Code; whereupon, the roll was called of the members of the Board, to-wit:

Les Griffith	President
Bob Warner	Vice President
Frank Sklenka	Secretary
Jeff Handojo	Asst. Secretary/Treasurer
Cheston Cooper	Asst. Treasurer

All members of the Board were present, except Director Sklenka, thus constituting a quorum. Others in attendance were: the following Heatherloch Municipal Utility District ("Heatherloch MUD") Board of Directors representatives: Ms. Gerry Wright and Mr. John Marks; Mr. Cole Konopka, attorney, and Ms. Renae Ely, paralegal, of Coats Rose, attorneys for Heatherloch MUD; Messrs. Justin Abshire, P.E. and Nate Jackson, P.E., of Jones|Carter, engineers for Heatherloch MUD; Mr. Steve Haskins of Protocol Bookkeeping, Inc. (the "Bookkeeper"), bookkeepers for the District; Ms. Pam Madrigal, P.E., of AEI Engineering, Inc. ("AEI" or the "Engineer"), engineers for the District; Mr. Karl Skarboszewski of Texas Operations & Professional Services ("TOPS" or the "Operator"), operators for the District; Ms. Pat Hall of Equi-Tax, Inc. (the "Tax Assessor"), tax assessor/collectors for the District; Mr. Bill Blich of Blich Associates, Inc., financial advisor for the District; Mr. Mark Eyring of Roth & Eyring, PLLC, auditor for the District (the "Auditor"); Ms. Jamie O'Boyle, Administrative Assistant for the District and Huntwick Recreational Facilities ("HRF") Event Coordinator; Mr. Dale Hilpert, HRF Operations and Maintenance Coordinator; and Ms. Regina D. Adams and Ms. Monica A. Garza, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley LLC ("RBAP"), attorneys for the District.

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.

WASTEWATER TREATMENT PLANT (THE "STP") OPERATIONS REPORT

Mr. Skarboszewski first reviewed the STP Operations Report and related STP Operations Manager's Report for the month of January, copies of which are attached hereto. Mr. Skarboszewski stated that recent inspections and testing indicate that the STP is operating satisfactorily.

Mr. Skarboszewski reported that he is still coordinating with CenterPoint Energy ("CenterPoint") to address the issues with the wiring of the electrical meter at the STP. Mr. Skarboszewski noted that the Operator is awaiting drier weather in order to make necessary repairs to the incoming power bar at the transformer.

Mr. Skarboszewski next reported that blower no. 3 has been repaired and is onsite for installation. Mr. Skarboszewski stated that a licensed electrician will need to install blower no. 3. Mr. Skarboszewski noted that, after installation, TOPS will place the unit online and run a one (1) month test.

Mr. Skarboszewski then reported that the vibration analysis on the STP blowers has been completed.

Mr. Skarboszewski went on to report that TOPS drained and cleaned Digester No. 2 due to the clogged diffusers. Mr. Skarboszewski presented to and reviewed with the Board a photograph of one (1) of the diffusers, a copy of which is attached hereto. Mr. Skarboszewski stated that TOPS found the diffusers were the wrong type and obtained a proposal for the installation of non-clog stainless steel diffusers for a price of \$3,947.40.

Mr. Skarboszewski next reported that TOPS completed bio monitoring in the previous month. Mr. Skarboszewski added that, if the tests pass, TOPS will apply to the Texas Commission on Environmental Quality (the "TCEQ") for a reduction in the District's bio monitoring schedule.

Mr. Eyring entered the meeting at this time.

Mr. Skarboszewski then reported that TOPS placed the purchase order for the two (2) new Lift Station pumps many weeks ago, but still has not received an anticipated date for delivery of such pumps.

Upon motion by Director Cooper, seconded by Director Handojo, after full discussion and the question being put to the Board, the Board voted unanimously to approve the STP Operations Report and authorize the installation of non-clog stainless steel diffusers for a price of \$3,947.40.

STP PROJECTS REPORT

Ms. Madrigal next presented to and reviewed with the Board, the STP Engineer's Report, a copy of which is attached hereto.

Ms. Madrigal reported that the Board previously authorized AEI to proceed with advertising for bids for the secondary clarifier project. Ms. Madrigal stated that AEI received bids on February 5th for the secondary clarifier project. Ms. Madrigal then presented to and reviewed with the Board the bid tabulation, a copy of which is attached to the Engineer's Report. Ms. Madrigal stated that the lowest bid was provided by R.P. Constructors, Inc. ("RP Constructors") in the amount of \$1,635,825.00. Ms. Madrigal recommended awarding the project to RP Constructors based on its low bid.

Ms. Madrigal noted that AEI has encountered an issue with Harris County's (the "County") approval of the plans for the secondary clarifier project. Ms. Madrigal reported that the County noted that the two (2) aeration basins, which were constructed 15 years ago, are partially located inside "Restricted Reserve C." Ms. Madrigal stated that Restricted Reserve C is dedicated as a buffer zone only and no development was to be allowed within such Reserve. Ms. Madrigal reviewed with the Board the recorded plats and a site plan highlighting the Reserve boundary, copies of which are attached hereto. Ms. Madrigal stated that AEI will continue to coordinate with the County to resolve the issue, but the District may be required to replat the STP site. A discussion ensued. Ms. Madrigal stated that it will cost approximately \$10,000 to replat the STP site. In response to a question, Ms. Madrigal stated that the District can move forward with awarding the construction contract for the secondary clarifier project, but construction will need to be delayed until the STP site replat is approved by the County.

Ms. Madrigal next reminded the Board that AEI previously evaluated the requirements for the replacement of two (2) of the three (3) STP on-site Lift Station pumps and the Board had authorized the purchase of two (2) new Flygt Lift Station pumps. Ms. Madrigal stated that the Operator previously placed the purchase order for the two (2) new Lift Station pumps.

Ms. Madrigal then reported that the pre-construction meeting for Heatherloch MUD's sanitary sewer line pipe bursting project was held on January 29th and construction should be initiated during the month.

Ms. Madrigal next reported that the Board previously authorized AEI to proceed with design of Clarifier No. 1 Rehabilitation and Recoating and design and construction of the STP motor control center (the "MCC") replacement and building modifications. Ms. Madrigal stated that AEI has initiated design of the Clarifier No. 1 Rehabilitation and Recoating and MCC projects. Ms. Madrigal went on to present correspondence regarding the cost sharing for the projects, a copy of which is attached hereto and had been provided to Heatherloch MUD.

Ms. Madrigal then reviewed with Board a summary of the current equivalent single family connection breakdown for the District and Heatherloch MUD.

Ms. Madrigal next presented to and reviewed with the Board the most recent STP capital improvement project list, a copy of which is attached hereto.

Upon motion by Director Warner, seconded by Director Handojo, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve the STP Projects Report; 2) accept the bid of RP Constructors for the secondary clarifier project in the amount of \$1,635,825.00; and 3) authorize AEI to proceed with the replatting of the STP site up to \$10,000.00.

STP BOOKKEEPING REPORT

Mr. Haskins then presented to and reviewed with the Board and the Heatherloch MUD Board of Directors the STP Bookkeeping Report and budget, a copy of which is included with the District's Bookkeeping Report. Upon motion by Director Handojo, seconded by Director Cooper, after full discussion and the question being put to the Board, the Board voted unanimously to approve the STP Bookkeeping Report.

In response to a question, Mr. Skarboszewski reported on the sludge hauling costs.

The Heatherloch MUD representatives, Messrs. Abshire, Jackson and Konopka and Ms. Ely exited the meeting at this time.

PUBLIC COMMENTS

There were no public comments at this time.

DIRECTOR COMMENTS

Director Griffith reported on his attendance at various seminars at the Association of Water Board Directors – Texas Mid-Winter Conference held on January 26th in Austin.

Director Griffith then reported on his attendance at the recent North Harris County Regional Water Authority (the "NHCRWA") Board of Directors meeting held on February 4th.

Director Warner next reported on his attendance at the Green Medians Joint Powers Board (the "Green Medians JPB") quarterly meeting. Director Warner stated that the sidewalk repair project along FM 1960 has been completed. Director Warner reported that the Texas Department of Transportation will soon be under construction on the right lane of Champions Drive (at FM 1960) for the widening of FM 1960.

REVIEW WEBSITE MATTERS, INCLUDING AMERICANS WITH DISABILITIES ACT (THE "ADA") COMPLIANCE

Director Handojo reported on his recent research related to ADA compliance for the District's website. Director Handojo stated that he can perform some of the preliminary updates to the District's website, but the District will need to engage a more experienced website developer to convert the entire website to be ADA compliant. A discussion ensued. Upon motion by Director Warner, seconded by Director Griffith, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Director Handojo to perform preliminary ADA updates to the District's website and authorize RBAP to solicit proposals from a website developer to allow the District's website to be ADA compliant.

CONSENT AGENDA

The Board reviewed the items reflected on the Consent Agenda. Director Griffith explained that this portion of the agenda deals with routine matters of the Board, and that no separate discussion of such items will occur unless a Director or a member of the public requests that an item be moved to the regular portion of the agenda.

Upon motion by Director Warner, seconded by Director Cooper, after full discussion and the question being put to the Board, the Board voted unanimously to approve the item(s) on the Consent Agenda, as follows:

1. January 14, 2019 regular and special meeting minutes.

REGULAR AGENDA

REVIEW AND APPROVE AUDIT REPORT FOR FISCAL YEAR ENDED ("FYE") SEPTEMBER 30, 2018.

Mr. Eyring then reviewed with the Board the draft audit report for FYE September 30, 2018. An extensive discussion ensued and corrections were noted. Upon motion by Director Griffith, seconded by Director Handojo, after full discussion and the question being put to the Board, the Board voted unanimously to approve the audit report as discussed and with certain corrections, and authorize RBAP to file such audit report and affidavit with the appropriate governmental entities. A copy of the District's final audit report for the FYE September 30, 2018 can be found in the District's files.

Mr. Eyring exited the meeting at this time.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Hall then presented to and reviewed with the Board the Tax Assessor/Collector's Report, a copy of which is attached hereto.

Ms. Hall reported that 87.1% of the 2018 taxes have been collected as of January 31, 2019 and that 95% of the 2018 taxes have been collected as of the meeting.

Ms. Hall informed the Board that 772 of the District's tax accounts qualify for the residential homestead exemption, which the District does not currently offer, and 364 of the District's tax accounts qualify for the tax exemption for disabled persons or persons 65 years of age or older.

Upon motion by Director Warner, seconded by Director Handojo, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report, as presented, and authorized payment of the checks reflected therein.

AUTHORIZE PREPARATION AND SUBMITTAL OF CONTINUING DISCLOSURE REPORT

Ms. Adams next explained that the District has an ongoing obligation to update, on an annual basis, certain financial information, as required by the District's Series 2017 Bond Order for all bond issues, which information will serve to keep bondholders and other interested parties apprised of the financial status of the District. Ms. Adams then requested the Board's authorization to prepare and file such materials with the appropriate agencies, including the TCEQ, the Texas Comptroller of Public Accounts (the "Comptroller") and the Electronic Municipal Markets Access website. Upon motion by Director Warner, seconded by Director Handojo, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the Attorney, along with the District's financial advisor, to prepare and file the required continuing disclosure materials with the appropriate agencies.

RESOLUTION IMPLEMENTING PENALTY ON 2018 DELINQUENT TAXES AND CONTRACTING WITH ATTORNEYS TO COLLECT DELINQUENT TAXES

Ms. Adams then reviewed the Resolution Implementing Penalty on 2018 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes with the Board. Upon motion by Director Griffith, seconded by Director Warner, after full discussion with all Directors present voting aye, the Board approved the Resolution Implementing Penalty on 2018 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes, a copy of which is attached hereto.

ADOPT ORDER DETERMINING AD VALOREM TAX EXEMPTIONS

Mr. Blich reviewed a homestead exemption study, a copy of which is attached hereto, illustrating the financial impact of granting a homestead exemption to the District's residents, based on 2018 taxable values. The Board decided not to set a general homestead tax exemption based upon the information in homestead exemption study.

The Board next considered approval of tax exemptions for the 2019 tax year, including homestead exemptions for residents 65 years of age and older, and exemptions for disabled residents. Ms. Adams reported that, in 2018, the Board granted a tax exemption of \$15,000 for disabled persons or persons 65 years of age or older. Upon motion by Director Griffith, seconded by Director Warner, and after full discussion with all Directors present voting aye, the Board agreed to retain the same exemption for 2019 as was approved in 2018, and to adopt the Order Determining Ad Valorem Tax Exemptions, a copy of which is attached hereto.

ADOPT RESOLUTION AUTHORIZING PETITION CHALLENGING APPRAISAL RECORDS

Ms. Adams then reviewed the Resolution Authorizing Petition Challenging Appraisal Records with the Board. Ms. Adams explained that such resolution will allow the District's Tax Assessor/Collector to represent the District in filing protests with the Harris County Appraisal District ("HCAD"), and to represent the District in other matters before HCAD. Upon motion by Director Griffith, seconded by Director Warner, and after full discussion with all Directors present voting aye, the Board approved the Resolution Authorizing Petition Challenging Appraisal Records, a copy of which is attached hereto.

Director Handojo exited the meeting at this time.

BOOKKEEPER'S REPORT

Mr. Haskins presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto. Mr. Haskins reported that the District's budgeted revenues and expenses for the NHCRWA are skewed for the last four (4) months since the District has not yet billed Champions Municipal Utility District for its portion of NHCRWA fees for utilizing the interconnect with the District. A discussion ensued.

Upon motion by Director Warner, seconded by Director Cooper, after full discussion and with all Directors present voting, the Board approved the Bookkeeper's Report, as presented; authorized payment of checks listed in the Bookkeeper's Report: General Fund Account Expenses totaling \$351,249.36 (checks numbered 11370 through 11400 and 21037 through 21041); HRF Account Expenses of \$14,441.42 (checks numbered 3917 through 3932); STP Account Expenses of \$37,196.41 (checks numbered 2843 through 2852); and Capital Projects Account Expenses of \$54,202.34 (checks numbered 149 through 152).

Mr. Blich exited the meeting at this time.

WATER SUPPLY SYSTEM AND SANITARY SEWER COLLECTION SYSTEM OPERATIONS AND MAINTENANCE REPORT

Mr. Skarboszewski then reviewed with the Board the Water Plant ("WP") and Sanitary Sewer Collection System Operations Report and related Operations Manager's Report for the month of January, copies of which are attached hereto. Mr. Skarboszewski noted that the water accountability ratio for the prior month was 98%.

Mr. Skarboszewski reported that Accurate Meter inspected the District's interconnect with Heatherloch MUD to investigate whether a repair or replacement of the interconnect meter is needed. Mr. Skarboszewski stated that Accurate Meter requested that the line be excavated prior to their preparation of a cost estimate for the repair/replacement. A discussion ensued.

Mr. Skarboszewski reported that Booster Pump No. 3 had previously been pulled to seal a failure. Mr. Skarboszewski stated that the repairs have been made to Booster Pump No. 3. Mr. Skarboszewski went on to report that TOPS filed an insurance claim in connection with the Booster Pump No. 4 motor failure. Mr. Skarboszewski noted that the District's insurance company has informed TOPS that it is sending a check to the District for the Booster Pump No. 3 motor failure (the deductible was \$5,000).

Mr. Skarboszewski next stated that TOPS has purchased and will install the external tank level gauges.

Mr. Haskins exited the meeting at this time.

Mr. Skarboszewski stated that there are 23 accounts recommended for termination of service this month.

Upon motion by Director Warner, seconded by Director Griffith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the WP Operations Report, authorize the necessary excavation at the interconnect line/meter with Heatherloch MUD for a cost not to exceed \$2,500 and authorize termination of service to the delinquent accounts in accordance with the provisions of the District's Rate Order.

ENGINEERING AND DISTRICT PROJECTS REPORT

Ms. Madrigal next presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto.

Ms. Madrigal then reminded the Board that when the Operator attempted to drain the GST for the roof replacement project, additional issues with the SCADA settings and alarms were identified. Ms. Madrigal stated that, as previously authorized by the Board, AEI provided notification to Jaimar Construction's, the SCADA contractor, bonding company informing them of the additional issues with the SCADA settings and alarms and requesting an extension of the one (1) year warranty for the WP and STP Upgrades (SCADA) Project, which expired on February 7th. Ms. Madrigal also stated that AEI has scheduled a warranty inspection for Friday, February 15th with the Operator and contractor.

Ms. Madrigal then reminded the Board that it previously awarded the contract for the WP No. 1 GST roof replacement project to CFG Industries, LLC ("CFG") in the amount of \$499,900. Ms. Madrigal reported that CFG continues to work on the north tank, installing the wind girder and support angle at the top of the tank. Ms. Madrigal stated that AEI has requested that CFG prepare an updated schedule based on its current construction progress. Ms. Madrigal went on to present Pay Estimate No. 2 in the amount of \$15,750.00. A copy of Pay Estimate No. 2 is attached to the Engineer's Report. Ms. Madrigal stated Pay Estimate No. 2 represents the costs to remove the existing north ground storage tank's rafters and supports along with the placement of a portion of the wind girder. Ms. Madrigal recommended approval and payment of Pay Estimate No. 2.

Ms. Madrigal next stated that the WP site plat is ready for execution, upon approval by the TCEQ of the District's Order Establishing Rules and Regulations Regarding Sanitation and Pollution Control of the Areas in Proximity to District Water Plant Facilities (the "Sanitary Control Ordinance") and sanitary sewer control easement exception application for Water Well ("WW") Nos. 1 and 3. Ms. Madrigal reminded the Board that AEI had previously provided RBAP with the updated exhibits for WW Nos. 1 and 3. Ms. Adams noted that her office submitted the revised Sanitary Control Ordinance and exhibits to the TCEQ on December 3rd and received TCEQ conditional approval of the Sanitary Control Ordinance on February 4th. Ms. Adams stated that the TCEQ will formally approve the District's Sanitary Control Ordinance upon receipt of a District approved copy of same. Ms. Madrigal noted that AEI will update and present the Water Plant plat for execution at the next Board meeting.

Regarding the TCEQ's requirement for WW historical data, Ms. Madrigal stated that AEI completed the submission of the WW historical data to the TCEQ at the end of December. Ms. Madrigal stated that AEI is currently awaiting approval from the TCEQ. Ms. Madrigal noted that AEI still needs to provide the recorded Sanitary Control Ordinance and the final bacteriological tests for the WWs to the TCEQ.

Regarding the WP MCC and building for same (the "WP MCC Project"), Ms. Madrigal reminded the Board that it previously authorized a change in project scope in connection with the \$1,200,000 approved in the Series 2017 Bonds for wastewater system rehabilitation projects to pay for the unforeseen necessary construction of the WP MCC Project. Ms. Madrigal stated that AEI met with the Operator and Director Warner last month to discuss the layout for the new building. Ms. Madrigal went on to report the design of the new WP MCC Project is almost complete and AEI intends to submit the plans for agency approval in March.

Ms. Madrigal then reported that the design of the Elevated Storage Tank ("EST") rehabilitation project is complete and AEI has submitted plans to the TCEQ and County for review and approval. Ms. Madrigal stated that AEI will request authorization to advertise the project for bids upon receipt of agency approvals.

Ms. Madrigal then reminded the Board that it previously awarded the contract for the sanitary sewer smoke-testing project to AAA Flexible Pipe Cleaning ("AAA Pipe") in the amount of \$67,500.62. Ms. Madrigal reported that AAA Pipe previously completed televising of the 18-inch (18") and 24-inch (24") sanitary sewer lines and submitted the related inspection reports to AEI, which have been reviewed. Ms. Madrigal stated that AEI had no recommendations for rehabilitation on this portion of the sanitary sewer system at this time. Ms. Madrigal noted that AEI is coordinating with AAA Pipe to schedule the smoke testing portion of the project, which has been delayed due to the recent rainy weather.

Regarding necessary drainage improvements for the District's property located north of the WP, Ms. Madrigal reminded the Board that at the November Board meeting, the Directors awarded the contract for installation of a drainage system and regrading of the District's 1.8-acre tract of land to Four Seasons Development Co., Inc. ("Four Seasons") in the amount of \$24,401.00. Ms. Madrigal reported that Four Seasons will re-mobilize the week of February 11th in order to regrade a portion of the site to address standing water. Ms. Madrigal noted that once the site has dried adequately, Four Seasons will finish grading the area around the new inlet. Ms. Madrigal went on to present Pay Estimate No. 1 in the amount of \$17,070.00. A copy of Pay Estimate No. 1 is attached to the Engineer's Report. Ms. Madrigal stated Pay Estimate No. 1 represents the insurance with the bonds, permits, mobilization and the installation of 60 linear feet of 18-inch (18") pipe and one (1) Type "E" inlet. Ms. Madrigal recommended approval and payment of Pay Estimate No. 1. Ms. Madrigal reported that, due to the unforeseen conflict with the CenterPoint high pressure gas line and additional coordination required, Four Seasons is requesting a change order to the contract in the amount of \$2,000, a copy of which is attached hereto. Ms. Madrigal went on to state that AEI is coordinating with the Attorney to properly identify the location of the high pressure gas line in order to obtain an easement on the District's property.

STATUS OF DRAINAGE IMPROVEMENTS AT DONUT LAKE, INCLUDING REPLACEMENT OF COLLAPSED DRAINAGE LINES

Regarding necessary drainage improvements to the Donut Lake property, Ms. Madrigal reminded the Board that at the November Board meeting the Directors awarded the contract for the drainage improvements and regrading at Donut Lake to Storm Water Solutions, LLC ("SWS") in the amount of \$13,581.40. Ms. Madrigal reported that SWS has identified all the inlets and associated drainage lines. Ms. Madrigal stated that, after reviewing the videos, the total amount of collapsed line segments was more than originally indicated at the previous Board meeting. Ms. Madrigal then presented Change Order No. 1 in the amount of \$7,890.85 from SWS to replace the collapsed lines and restore the associated areas, a copy of which is attached to the Engineer's Report.

WATER LINE IMPROVEMENTS TO SERVE 13303 CHAMPION FOREST DRIVE

Regarding the re-design of the three-inch (3") water line which serves the dental office complex at 13303 Champion Forest Drive, Ms. Madrigal stated that she provided Dr. Coker with the revised exhibit/map depicting the water and sanitary sewer line layout for distribution to the affected property owners. Ms. Madrigal added that she is still awaiting receipt of the executed Letter of Understanding from the property owners.

REVIEW COST ESTIMATES FOR EXPANDING DONUT LAKE PARKING LOT

Ms. Madrigal then reported that AEI has reviewed the current parking situation at Donut Lake and has developed a couple of options for expansion for the Board's consideration. Ms. Madrigal stated that AEI is scheduled to meet with an asphalt contractor on February 12th to review the proposed parking lot improvements and obtain a proposed cost estimate for the District's budgetary purposes.

Ms. Madrigal noted that the one (1)-year warranty inspection for the WP emergency generator is scheduled for November 14, 2019.

STATUS OF RECEIPT OF DRAINAGE PLAN AND COMPLIANCE WITH DISTRICT'S POLICIES FOR BENFER ROAD DEVELOPMENT

Regarding a request for service for the development of a 0.86-acre tract of land located on Benfer Road (the "Benfer Road Property"), Ms. Madrigal reminded the Board that at the October 2018 Board meeting, Mr. Marc Helm, owner of the Benfer Road Property, and the Benfer Road Property's engineer agreed to coordinate with AEI regarding the required drainage analysis and prepare and submit a written drainage plan to the District for review prior to AEI's issuance of a plan approval letter on behalf of the District. Ms. Madrigal stated that AEI has not yet received a drainage plan from Mr. Helm or the Benfer Road Property engineer for review and acceptance. Ms. Madrigal stated that AEI has communicated with the owner's engineer and real estate agent. An extensive discussion ensued.

Upon motion by Director Warner, seconded by Director Cooper, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve the Engineer's Report; 2) authorize payment of Pay Estimate No. 2 in the amount of \$15,750.00 for the GST roof replacement project; 3) authorize payment of Pay Estimate No. 1 in the amount of \$17,070.00 and approve Change Order No. 2 in the amount of \$2,000 in connection with the drainage improvement project on the District's property located north of the WP; 4) approve Change Order No. 1 in the amount of \$7,890.85 in connection with the Donut Lake drainage improvement project; and 5) authorize RBAP to send a letter to the Benfer Road Property owner and engineer reminding them that the District will withhold approval of the Benfer Road Property service until such time as a drainage plan is prepared and provided to AEI for review and acceptance in accordance with the District's Policy, Procedures and Application for New Development and Water and Sewer Service provision requiring all new development construction plans and specifications for all water, sanitary sewer and stormwater drainage improvements to be reviewed and approved by the District's engineer, and prepared in accordance with the design standards of various local and state agencies, including the County.

REVIEW DROUGHT CONTINGENCY PLAN ("DCP")

Ms. Madrigal next reported that the TCEQ previously submitted a letter requesting review of the District's DCP by May 1, 2019. Ms. Madrigal stated that she will review and update the District's current DCP, if necessary, upon receipt and review of the NHCRWA's DCP.

STATUS OF REQUESTS FOR PROPOSALS FOR ONLINE DISTRICT REPOSITORY AND ELECTRONIC MEETING PACKETS

Ms. Garza reminded the Board that her office previously prepared a draft request for proposals for: 1) the uniform digitization of all District documents; 2) the creation of a digital environment in which the Board and consultants can access District data; and 3) the creation of electronic Board meeting packets (the "RFP") and provided same to Directors Sklenka and Handojo for review. Ms. Garza stated that her office has updated the scope of the projects for the RFP based on input from Director Sklenka at the previous Board meeting. A discussion ensued. Ms. Garza noted that her firm plans to present the updated RFP to Pepper Well File Management and BoardBook and present the proposals received to the Board at an upcoming meeting.

ATTORNEY'S REPORT

ADOPT SANITARY CONTROL ORDINANCE FOR WW NOS. 1 AND 3

Upon motion by Director Griffith, seconded by Director Warner, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Sanitary Control Ordinance and record same in the County Property Records upon receipt of formal approval from the TCEQ. A signed copy of the Sanitary Control Ordinance is attached hereto.

Ms. Hall exited the meeting at this time.

DISCUSS AND TAKE NECESSARY ACTION IN CONNECTION WITH REQUEST FROM HARRIS COUNTY CLERK'S (THE "COUNTY CLERK") OFFICE FOR USE OF THE HRF CLUBHOUSE AS A POLLING PLACE FOR THE MAY 4, 2019 AND NOVEMBER 5, 2019 ELECTIONS (THE "ELECTIONS")

Ms. Adams reported that the County Clerk has inquired whether Harris County (the "County") may utilize the District's HRF Clubhouse for the Elections. A discussion ensued regarding the Huntwick swim team's use of the HRF Clubhouse in May 2019. Upon motion by Director Warner, seconded by Director Cooper, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the County to utilize the District's HRF Clubhouse for the November 5, 2019 Election.

After a brief discussion, it was the consensus of the Board to hold the next HRF special meeting at 2:15 p.m. on March 11, 2019.

Ms. Adams stated that she had nothing further to report.

Ms. O'Boyle, Messrs. Hilpert and Skarboszewski exited the meeting at this time.

EXECUTIVE SESSION

Pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, specifically Section 551.071(2) regarding matters of attorney-client privilege, Director Griffith convened the Board in Executive Session at 5:07 p.m., to review legal information related to the District's provision of water and sanitary sewer service to the Benfer Road Property development. The persons present in the executive session were all the members of the Board, except Directors Sklenka and Handojo; Ms. Adams; Ms. Garza; Ms. Christensen; and Ms. Madrigal.


Director Griffith then reconvened the meeting in open session at 5:22 p.m.

OPEN SESSION

No further action was taken, and the meeting was adjourned at 5:23 p.m.

PASSED, APPROVED and ADOPTED this 11th day of March, 2019.



ASA 
Secretary, Board of Directors