

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

March 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, March 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 Directors Sklenka and Cooper, thus constituting a quorum. Others in attendance were: the following Heatherloch Municipal Utility District ("Heatherloch MUD") Board of Directors representatives: Ms. Gerry Wright and Messrs. Barry King, John Spire and John Marks; Mr. Cole Konopka, attorney, and Ms. Renae Ely, paralegal, of Coats Rose, attorneys for Heatherloch MUD; Mr. Nate Jackson, P.E., of Jones|Carter, engineer 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; Messrs. Karl Skarboszewski and Nathan White 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; Ms. Jamie O'Boyle, Administrative Assistant for the District and Huntwick Recreational Facilities ("HRF") Event Coordinator; Mr. Dale Hilpert, HRF Operations and Maintenance Coordinator; Mr. Marc Helm, District resident; 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 February, copies of which are attached hereto. Mr. Skarboszewski stated that recent inspections and testing indicate that the STP is operating satisfactorily.

Mr. Skarboszewski then reported that the new diffusers have been installed at Digester No. 2.

Mr. Skarboszewski next reported that TOPS has performed the top cleaning of the onsite lift station.

Mr. Skarboszewski went on to report that the incoming power bar at the transformer has been repaired.

Mr. Skarboszewski then reported that the District did not pass the latest bio monitoring testing due to low hardness levels in the STP effluent. Mr. Skarboszewski stated that TOPS has contacted the Heatherloch MUD operator and they plan to coordinate the use of more well water before and during future bio monitoring test periods. An extensive discussion ensued.

Mr. Skarboszewski next reported that the dechlorination pump has been repaired and the STP wind sock has been replaced.

Mr. Skarboszewski reported that on February 11th, TOPS determined that the Return Activated Sludge line had clogged. Mr. Skarboszewski noted that TOPS was able to use an air compressor to unclog the line. Mr. Skarboszewski stated that if the line clogs again, TOPS may purchase an air compressor to clear the line.

Mr. Skarboszewski next reported that TOPS plans to perform preventative maintenance on the chlorination and chemical feed equipment in the near future.

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 approve the STP Operations Report.

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 accepted the bid of RP Constructors, Inc. ("RP") for the secondary clarifier project in the amount of \$1,635,825.00. Ms. Madrigal stated that AEI and RBAP have reviewed the construction contract, performance and payment bonds and insurance and found everything to be in order. Ms. Madrigal then presented the final contract documents for execution. Ms. Madrigal stated that AEI will coordinate with RP to schedule the pre-construction conference and will invite Jones|Carter to such meeting. A copy of RP's financial statements are also attached to the Engineer's Report. A discussion ensued.

Ms. Madrigal then reminded the Board that AEI had encountered an issue with Harris County's (the "County") approval of the plans for the secondary clarifier project. Ms. Madrigal reported that the County has 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 reported that the STP site re-plat was submitted for review on March 4th. Ms. Madrigal noted that the STP site is being re-platted as one (1) restricted reserve instead of two (2), which eliminate any issues with expanding the basins in the future. Ms. Madrigal stated that, if there are no further issues, AEI's understanding is that the agencies will provide them with the necessary documentation to obtain the necessary County construction permit before the end of March. A draft of the re-plat is attached to the Engineer's Report.

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 Heatherloch MUD's sanitary sewer line pipe bursting project is underway and progressing well. Ms. Madrigal stated that the contractor is currently on Wunderlich Drive and plans to begin pipe bursting the sanitary sewer lines along Strack Road in approximately two (2) weeks.

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 plans to advertise for bids following the completion of the Secondary Clarifier project. In regards to the STP MCC replacement design and building modifications, Ms. Madrigal reported that AEI is currently coordinating with the electrical sub-consultant. Ms. Madrigal noted that AEI will have a more specific timeline for the project by the April Board meeting.

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

A discussion ensued regarding the construction contract with RP for the Secondary Clarifier project. It was noted that upon a motion duly made and seconded, the Heatherloch MUD Board authorized withholding any future requested payment to RP until such time as Heatherloch MUD's attorney has reviewed the RP construction contract. Ms. Madrigal stated that she will provide a copy of the construction contract to Coats Rose for its review.

Mr. Helm entered the meeting at this time.

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 approve the STP Projects Report and approve and authorize execution of the construction contract with RP for the Secondary Clarifier.

STP BOOKKEEPING REPORT

Mr. Haskins then presented to and reviewed with the Board and the Heatherloch MUD Board the STP Bookkeeping Report and budget, a copy of which is included with the District's Bookkeeping Report.

In response to a question from Mr. Spire regarding Heatherloch MUD's share of the STP insurance costs, Mr. Haskins stated that he will provide him with the specific calculation used.

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 approve the STP Bookkeeping Report.

The Heatherloch MUD representatives (with the exception of Mr. King), Messrs. Jackson and Konopka and Ms. Ely exited the meeting at this time.

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

Regarding the previous request for service to the 0.86-acre tract of land on Benfer Road (the "Benfer Road Property"). Ms. Madrigal reminded the Board that at the October 2018 Board meeting, Mr. Helm, owner of the Benfer Road Property, and the Benfer Road Property's engineer, Mr. Aaron Rendon, P.E. of ATR Engineering ("ATR"), 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 then reported that AEI was contacted by the County after the previous Board meeting and the County informed AEI that the County intended to clean out the Benfer Road ditches and upsize several of the undersized culverts in the same area. Ms. Madrigal went on to report that the County has since performed the cleaning of the ditches and is in the process of upsizing the culverts.

Ms. Adams then reported that the Board also authorized RBAP to send a letter to ATR and Mr. Helm 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 requirement that all new development construction plans and specifications for all water, sanitary sewer and stormwater drainage improvements 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. Ms. Adams stated that such letter was sent on March 4th.

The President next recognized Mr. Helm, who stated that he agrees with Ms. Madrigal's updates on the Benfer Road Property drainage. Mr. Helm went on to state that the County has also agreed to periodically review the status of drainage at the Benfer Road Property. In response to the District's recent letter to him and Mr. Rendon, Mr. Helm then presented to Ms. Madrigal Mr. Rendon's response to the District's request for a drainage plan for the Benfer Road Property, a copy of which is attached hereto. Ms. Madrigal stated that AEI will review the submitted correspondence to ensure that it includes the necessary information/drainage plan prior to recommending that the District authorize service to the Benfer Road Property.

Mr. Helm exited the meeting at this time.

DIRECTOR COMMENTS

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

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 Griffith, seconded by Director Warner, 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. February 11, 2019 regular and special meeting minutes;
2. Tax Assessor/Collector's Report, a copy of which is attached hereto, including the checks included for payment; and
3. Bookkeeper's Report, a copy of which is attached hereto, including authorize payment of the checks listed in the Bookkeeper's Report: General Fund Account Expenses totaling \$221,083.04 (checks numbered 11396 through 11427, and 21042 through 21044 and 11424); HRF Account Expenses of \$12,888.36 (checks numbered 3917 through 3950); STP Account Expenses of \$74,948.57 (checks numbered 2843 and 2851 through 2862); and Capital Projects Account Expenses of \$41,385.65 (checks numbered 157 through 159).

PUBLIC COMMENTS

The President recognized Mr. King, who inquired whether he, as a District property owner (and not a resident), can utilize the HRF athletic field, playgrounds and dog park. The President stated that, yes, any property owner or resident of the District is able to utilize the HRF athletic field, playgrounds and dog park. After a brief discussion, the Board agreed to revise the verbiage of the HRF Newsletter to state that, "...any property owner or resident of the District is able to utilize the HRF athletic field, playgrounds and dog park."

There were no additional public comments at this time.

Mr. King exited the meeting at this time.

REGULAR AGENDA

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 February, copies of which are attached hereto. Mr. Skarboszewski noted that the water accountability ratio for the prior month was 100%.

Mr. Skarboszewski reminded the Board that it previously authorized Accurate Meter to inspect 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 has since excavated the line in order to prepare a cost estimate for the repair/replacement of the interconnect meter and installation of a vault around the interconnect meter.

Mr. Skarboszewski then reported that TOPS is scheduled to perform annual preventative maintenance on the WP chlorinator and chemical feed pump in the near future.

Mr. Skarboszewski next presented to and reviewed with the Board documentation in connection with a request from the building manager for The Tipton Group (13231 Champion Forest Drive, Suite 308) ("Tipton") for an adjustment to its February 20th water bill for the billing period between December 21, 2018 and January 22, 2019 due to high irrigation usage after their water meter was replaced by Accurate Meter. Mr. Skarboszewski stated that Tipton's normal irrigation usage had ranged from 1,500-3,000 gallons a day and usage spiked to 24,000 gallons the day after the repairs when the water was turned back on and Tipton's sprinkler ran all day and night.

Mr. Skarboszewski also stated that Accurate Meter determined that the prior meter was not accurate and consequently, the District had been under billing Tipton. A discussion ensued. Upon motion by Director Warner, seconded by Director Handojo, and after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize TOPS to credit Tipton's account for the bill in question in an amount equal to the sanitary sewer charges on such bill that exceed the monthly minimum usage amount.

Mr. Skarboszewski stated that there are 24 accounts recommended for termination of service this month.

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 approve the WP Operations Report.

Mr. Haskins exited the meeting at this time.

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 ground storage tank (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 it 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 stated that the warranty inspection was held on Friday, February 15th with the Operator and contractor. Ms. Madrigal reported that, based on the inspection, five (5) items were identified as still not being operational or complying with the parameters of the system design. Ms. Madrigal went on to report that the contractor has been working to correct the items over the last several weeks and, as of today, there are still two (2) outstanding items. Ms. Madrigal stated that the contractor is coordinating with AEI's electrical engineer to repair the outstanding items by the end of the week.

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 \$499,900.00. Ms. Madrigal reported that CFG's anticipated delivery of the north Ground Storage Tank (GST) roof in later in the week. Ms. Madrigal noted that CFG has indicated that it will have the GST back online within 30 days. Ms. Madrigal stated that once the north GST is online, work on the south GST will commence. An extensive discussion ensued regarding the continuing delays with the project. Ms. Madrigal reported that she is in the process of scheduling a meeting with CFG regarding the anticipated project completion date and whether the project can be completed prior to the summertime, which is the season when the District's water usage is at its peak. In response to a question, Ms. Madrigal noted that the project commenced on October 24, 2018 and the construction contract was originally a 45-day contract. Ms. Madrigal went on to present Pay Estimate No. 3 in the amount of \$8,550.00. A copy of Pay Estimate No. 3 is attached to the Engineer's Report. Ms. Madrigal stated Pay Estimate No. 3 represents a partial payment of a portion of the wind girder installation and disposal of the roof. Ms. Madrigal recommended approval and payment of Pay Estimate No. 3. Additionally, Ms. Madrigal stated that the Operator has requested that the contractor remove and replace a few of the older valves on the GST and install a new fill line while

it is out of service. Ms. Madrigal went on to state that CFG has provided a price of \$6,080.00 for the additional items and AEI recommends including such work in the contract. In response to a question, Ms. Madrigal stated that if approved, a Change Order for the project will be submitted at the April Board meeting.

Ms. Madrigal next stated that the WP site plat is ready for execution, upon receipt of formal approval by the Texas Commission on Environmental Quality (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. 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 District-approved Sanitary Control Ordinance had been provided to the TCEQ on February 13th and her office expects receipt of the TCEQ's formal approval of same in the very near future. Ms. Madrigal noted that once the Sanitary Control Ordinance is recorded, AEI will update and present the WP plat for execution at the April 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 on February 22nd and is currently awaiting approval from the TCEQ. Ms. Madrigal noted that as part of the submission package to the TCEQ, the District will have to follow-up with the recorded Sanitary Control Ordinance.

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 went on to report that the design of the WP MCC Project is 80% complete and AEI intends to submit the plans for agency approval later in the week. Ms. Madrigal stated that AEI anticipates agency review will take two (2) months.

Ms. Madrigal then reported that the design of the Elevated Storage Tank ("EST") rehabilitation project is complete and AEI received approval of the plans from the TCEQ on February 19th. A copy of the TCEQ approval letter is attached to the Engineer's Report. Ms. Madrigal requested Board authorization to advertise the project for bids.

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 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 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 it previously awarded the contract for installation of a drainage system and regrade of the District's 1.8-acre tract of land to Four Seasons Development Co., Inc. ("Four Seasons") in the amount of \$26,401.00. Ms. Madrigal reported that rain continues to delay progress on the project. Ms. Madrigal stated that Four Seasons is working on the final grading and site clean-up and plans to complete the project by the end of March. Regarding the

unforeseen conflict with what was previously believed to be a high-pressure gas line on the District's property, Ms. Madrigal reported that CenterPoint Energy ("CPE") confirmed that such line is not a gas line or CPE's property. Ms. Madrigal stated that, after further research, AEI believes that such line is a water transmission line from WW No. 3. Ms. Madrigal went on to state that AEI will update the District's map of facilities upon confirmation that such line is the District's and coordinate with RBAP regarding whether the District has the appropriate easements through other properties for the water transmission line. A discussion ensued regarding whether the District should install a fence around 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 2018 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 noted that the District also approved Change Order No. 1 in the amount of \$7,890.85 from SWS to replace the collapsed lines and restore the associated areas. Ms. Madrigal reported that AEI is coordinating with SWS regarding its schedule to complete the drainage improvements and replace the collapsed drainage lines.

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 met with Dr. Coker in February and he was awaiting one (1) owner's signature on the Letter of Understanding (the "LOU") with the property owners. Ms. Madrigal reported that she received the fully executed LOU just before the Board meeting, a copy of which is attached hereto. In response to a question from Ms. Madrigal, it was the consensus of the Board to review the District's Capital Improvement Project list and related budget before authorizing AEI to proceed with design of the water line improvement project. In response to a question from Ms. Adams, Ms. Madrigal stated that she will provide the metes and bounds descriptions to RBAP for preparation of the necessary easements for the project.

REVIEW COST ESTIMATES FOR EXPANDING DONUT LAKE PARKING LOT

Ms. Madrigal then reported that AEI met with an asphalt contractor on February 12th to review the proposed parking lot improvements and obtain a budget expense item for the Board. Ms. Madrigal then presented to and reviewed with the Board the cost estimates for improvements to both the Donut Lake parking lot (\$108,100.00) and the HRF parking lot (\$57,000.00), a copy of which is attached to the Engineer's Report. Ms. Madrigal noted that the Donut Lake option includes converting the existing court area to another parking lot. Ms. Madrigal noted that AEI also included additional costs for drainage since this work will result in some additional impervious areas. Ms. Madrigal then presented the final layout of the planned improvements, a copy of which is attached to the Engineer's Report. A discussion ensued.

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

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: 1) approve the Engineer's Report; 2) authorize payment of Pay Estimate No. 3 in the amount of \$8,550.00 for the WP No. 1

GST roof replacement project; 3) authorize the replacement of valves on the north GST and installation of an eight inch (8") riser fill line as a part of the WP No. 1 GST roof replacement project; and 4) authorize AEI to advertise for bids for the EST rehabilitation project, subject to outcome of AEI's meeting with CFG regarding the construction schedule.

Mr. Blich exited the meeting at this time.

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. Adams noted that the NHCRWA is not planning to make any revisions to its DCP. Ms. Madrigal stated that no other revisions to the District's DCP are recommended at this time and the Board concurred. 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 adopt an Amended DCP, a copy of which is attached hereto.

REVIEW PROPOSALS FOR ONLINE DISTRICT REPOSITORY AND ELECTRONIC MEETING PACKETS

Ms. Adams then reported that her office prepared the 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") to Pepper Well File Management ("Pepper Well") and BoardBook. Ms. Adams stated that only Pepper Well submitted a proposal in response to the RFP. Ms. Adams then presented to and reviewed with the Board the proposal from Pepper Well, a copy of which is attached hereto. A discussion ensued. Ms. Adams stated that she will contact Ms. Kristen Pepper of Pepper Well and request that she attend the next Board meeting to review the Pepper Well proposal.

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

Ms. Adams reported that, on behalf of the District, her office requested a proposal from Off Cinco, a website developer, to update the District's website to be ADA compliant. Ms. Adams then reviewed with the Board the proposal from Off Cinco, a copy of which is attached hereto.

A discussion ensued regarding scheduling a special meeting in order for Ms. Pepper and Ms. Shannon Waugh of Off Cinco to present their proposals to the Board and answer any questions. It was the consensus of the Board to schedule a special meeting on April 1st at 3:00 p.m. to review the Pepper Well and Off Cinco proposals and receive presentations on same.

AUTHORIZE DIRECTORS ATTENDANCE AT ASSOCIATION OF WATER BOARD DIRECTORS - TEXAS ("AWBD") SPRING BREAKFAST AND ANNUAL CONFERENCE

A discussion next ensued regarding the Directors' attendance at the AWBD Spring Breakfast in April, and the Annual Conference in Fort Worth, Texas on Thursday, June 13, 2019 through Saturday, June 15, 2019. Upon a motion by Director Griffith, seconded by Director Warner, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the Directors' attendance at the AWBD Spring Breakfast and Annual Conference on behalf of the District.

ATTORNEY'S REPORT

REVIEW OF ARBITRAGE COMPLIANCE REPORT

Ms. Adams then briefly reviewed with the Board the annual Rebate and Yield Restriction Compliance Service Program Report (the "Arbitrage Report") recently prepared by Arbitrage Compliance Specialists, Inc. ("ACS") concerning the District's active bond issue(s) as of February 7, 2019, a copy of which is attached hereto. 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 Arbitrage Report and authorize payment of check no. 11428 to ACS for same.

REVIEW OF CONSULTANT CONTRACTS

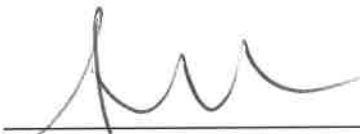
A discussion ensued regarding the District's consultants' contracts. The Board had no comments on the consultant contracts at this time.

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

No further action was taken, and the meeting was adjourned at 5:15 p.m.

PASSED, APPROVED and ADOPTED this 8th day of April, 2019.





Secretary, Board of Directors