

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

January 14, 2019

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 116 (the "District") met in special session, open to the public, on Monday, January 14, 2019, at 2:15 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, 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. Justin Abshire, P.E., of Jones|Carter, engineers for Heatherloch MUD; Mr. Karl Skarboszewski of Texas Operations & Professional Services ("TOPS" or the "Operator"), operators for the District; 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; Ms. Jamie O'Boyle, Administrative Assistant for the District and Huntwick Recreational Facilities ("HRF") Event Coordinator; Mr. Dale Hilpert, HRF Operations and Maintenance Coordinator; Ms. Pat Hall of Equi-Tax, Inc. (the "Tax Assessor"), tax assessor/collectors for the District; Mr. Bill Blich of Blich Associates, financial advisor for the District; and Ms. Regina D. Adams, attorney, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorney for the District. A number of District residents were also in attendance and are reflected on the sign-in sheet attached hereto.

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.

HRF REPORT

Ms. O'Boyle presented to and reviewed with the Board the HRF Report and Maintenance Report, copies of which are attached hereto.

Ms. O'Boyle next reviewed with the Board the December 2018 and January 2019 HRF Clubhouse and Donut Lake Maintenance Report, a copy of which is attached hereto.

Ms. O'Boyle then presented to and reviewed with the Board proposals from Allied Powder Coating for cleaning and touching up the pool chairs (\$1,275.00) and powder coating the chairs (\$3,105.60), copies of which are attached hereto. Ms. O'Boyle noted that Bayou City Coating recommended removing the rust and touching up the chairs and not powder coating the chairs due to the deteriorating condition of the chairs. An extensive discussion ensued.

Ms. O'Boyle agreed to obtain cost estimates for the purchase of new pool chairs and provide such information at the next Board meeting. Upon motion by Director Handojo, seconded by Director Griffith, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Ms. O'Boyle to coordinate with the potential contractors and HRF pool committee (Directors Handojo and Sklenka) to obtain proposals for touching up the chairs for a cost not to exceed \$1,000.

Ms. O'Boyle then reported that a family had volunteered to distribute the holiday luminaries at the HRF at no cost, but no luminaries were distributed at Donut Lake and only a few were placed at the Clubhouse. Ms. O'Boyle added that the luminaries were not collected for several days after the holidays. Ms. O'Boyle stated that she will pay for these services this year to ensure that all of the luminaries are timely distributed before and removed after the holidays.

Ms. O'Boyle then presented to the Board the Summary Report on HRF Patron activities: 1) 104 Full in-District families; 2) ten (10) Full in-District with extended families; 3) 59 House in-District families; 4) 26 Full out-of-District families; 5) one (1) Full out-of-District with extended family; and 6) six (6) House out-of-District families. Ms. O'Boyle reported that 27 HRF Patrons pay via the monthly payment plan. Ms. O'Boyle noted that two (2) monthly payment plan accounts are now delinquent due to a change in ACH auto-draft payment method. After a brief discussion, Ms. O'Boyle agreed to inform such account holders that the entire HRF Patron Fees for the year are due immediately and monthly payments are no longer an available payment option for such accounts pursuant to the HRF Rules and Regulations. Ms. O'Boyle then stated that there are currently four (4) payment plan HRF Patron accounts that are over 60 days delinquent.

Ms. O'Boyle stated that she had previously sent delinquent notices and has disabled the access cards for such accounts. After a brief discussion, it was the consensus of the Board to write off the four (4) delinquent accounts.

Ms. O'Boyle went on to report on upcoming events at the HRF.

Ms. O'Boyle then presented to and reviewed with the Board a draft flier provided by the Huntwick Civic Association (the "HCA") to gauge Patron interest in certain activities, a copy of which is attached hereto. Ms. O'Boyle stated that the HCA has requested that the District include such flier in the District newsletter and water and sewer service bills. An extensive discussion ensued. It was the consensus of the Board that certain revisions be made to the proposed flier to make it clear that the flier is from the HCA and not the District. In response to a question, Mr. Skarboszewski stated that it will cost an additional \$0.10 per account in postage costs to include the flier with the water and sewer service bills. 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 include the HCA flier, as revised, in the District's upcoming newsletter and water and sewer service bills.

Director Sklenka requested that Ms. O'Boyle contact Lawn Management Company, Inc. and request inspection of the irrigation system at the Clubhouse.

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 HRF Report.

Director Warner and Mr. Blich entered the meeting at this time.

Regarding the renewal of the Pool Management Agreement (the "Renewal Agreement") with Aquatic Management of Houston ("Aquatic"), Ms. Adams reported that the District previously

approved and executed the Renewal Agreement, subject to certain revisions. Ms. Adams added that her office made the previously-requested revisions to the Renewal Agreement and provided same to Mr. Peter Clark, President of Aquatic, for review and approval. Ms. Adams noted that Mr. Clark approved the Renewal Agreement, subject to the inclusion of the following provision:

During the term of this Agreement, Company [Aquatic] recommends compliance with the Virginia Graeme Baker Pool and Spa Safety Act. Company also recommends that Customer [the District] have its pool inspected annually by a licensed electrician and have all recommended electrical repairs completed by the inspecting electrician. During the term of this Agreement, Company stands ready to perform any other installations or repairs needed to preserve Customer's pool aesthetics and/or to comply with State, Federal or local regulations, but Customer shall have the option of using its chosen contractor to perform any recommended repairs. To the extent permitted by law, Customer agrees to indemnify and hold Company harmless from all claims, injuries, damages, attorney's fees, and defense costs arising out of 1) repairs or renovations performed by any entity other than the Company, or 2) the failure to complete a) repair(s) or installations needed to comply with State, Federal or local regulations, or b) the above-described annual electrical inspection and recommended repair(s).

Ms. Adams then reviewed with the Board the Virginia Graeme Baker Pool and Spa Safety Act, as amended, a copy of which is attached hereto. A discussion ensued regarding annual inspection of the pool by a licensed electrician and, subsequently, making all recommended electrical repairs. 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 authorize Ms. O'Boyle to coordinate with a licensed electrician to have the pool inspected the first week in March and annually thereafter immediately upon the conclusion of pool season.

Ms. Wright, Ms. Ely, and Messrs. Konopka, King, Spire, Marks, Abshire and Haskins entered the meeting at this time.

At the previous Board meeting, Ms. Adams stated that the Board accepted the proposal from Progressive Commercial Aquatics ("Progressive") for re-plastering the pool and replacing the pool anchors and approved and authorized execution of an agreement with Progressive, subject to receipt, review and approval of such agreement by the HRF Pool Committee (Directors Sklenka and Handojo) and RBAP and receipt of a completed Form 1295 from Progressive. Ms. Adams presented to the Board the Services Agreement with Progressive for execution, a copy of which is attached hereto. Ms. Adams added that RBAP has received Progressive's completed Form 1295.

Ms. Adams then reminded the Board that Ms. Danielle Browning, an HRF Patron, had previously requested the Board's consideration of the use of the HRF Clubhouse for weekly Girl Scouts of America ("GSA") Troop meetings. Ms. Adams reported that, at the last special Board meeting, the District reviewed and approved the proposed Facilities Use Agreement (the "Agreement") between the District and GSA for use of the HRF Clubhouse for weekly GSA meetings (at no cost). Ms. Browning stated that she is coordinating with GSA to execute the Agreement and, upon her receipt of the executed Agreement, will provide same to Ms. O'Boyle.

Ms. Madrigal entered the meeting at this time.

The President then acknowledged the residents in attendance, who collectively expressed their concerns regarding the scheduling of the resurfacing of tennis court nos. 5 and 6 at Donut Lake and adding pickleball lines to certain tennis courts. Ms. Ann Conrad informed the Board that her tennis league, the Texas Jackrabbit League, prohibits tennis matches on courts that have multiple sets of 'Pickleball' and/or '10 or Under' lines or non-blended lines (i.e. lines not in the same color family as the background surface). Ms. Conrad then provided the Board with a copy of the Texas Jackrabbit League's Policies, a copy of which is attached hereto.

Ms. Hall entered the meeting at this time.

Ms. Mary Anna Gannon, a captain of two (2) tennis leagues, also informed the Board that tennis league play commences on February 1st and the leagues cannot hold matches if there is ongoing construction (i.e. resurfacing) on any adjacent tennis court. Another tennis league captain then suggested that the Board consider increasing the HRF Patron Fees or District taxes in order to repair tennis court nos. 1 and 2 at the HRF Clubhouse and possibly add pickleball lines to such courts instead of court nos. 3-8. An extensive discussion ensued.

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: 1) resurface tennis court nos. 5 and 6 at Donut Lake on a date to be coordinated between Director Griffith and Patriot Courts, which will not interfere with the tennis leagues; and 2) add pickleball lines at tennis court nos. 3 and 4 at the HRF Clubhouse, which will comply with the general policies of the tennis leagues in the area.

After some additional discussion, Ms. Annie Bass and Director Griffith agreed to coordinate with one another regarding the status of improvements at the tennis courts and any anticipated future projects at the District's tennis courts.

The President then recognized Mr. Joel Moore, President of the HCA, who presented to the Board a request for HRF information under the Texas Public Information Act (the "PIA"), a copy of which is attached hereto. Mr. Moore stated that he is requesting: 1) HRF revenues and expenses from 2006 to present; and 2) any HRF appraisals/insurance values. Ms. Adams informed Mr. Moore that her office, on behalf of the District, will be responding to his request in accordance with the PIA.

There were no additional public comments at this time.

REVIEW HRF RULES AND REGULATIONS AND TAKE NECESSARY ACTION IN CONNECTION WITH SAME

Ms. Adams stated that Director Griffith requested that the Board review and possibly amend the reservation form for the athletic field at Donut Lake. A discussion ensued. It was the consensus of the Board to table such matter until the next special Board meeting.

No further action was taken, and the meeting was adjourned at 3:30 p.m.

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

(DISTRICT SEAL)



Asst. Secretary, Board of Directors

[Handwritten signature]