

MINUTES  
CYPRESS FOREST PUBLIC UTILITY DISTRICT

March 7, 2017

The Board of Directors (the "Board") of Cypress Forest Public Utility District, (the "District"), met in regular session, open to the public, on the 7th day of March, 2017, at the Cypress Forest Public Utility District Administrative Building, 16215 Champion Forest Drive, Spring, Texas 77379, inside the boundaries of the District, and the roll was called of the members of the Board:

Gregory DiCioccio	President
Thomas J. Petrick	Vice President
David Normand	Secretary
John N. Parker	Assistant Secretary
James B. Fryfogle	Assistant Vice President

and all of the above were present except Directors Petrick and Fryfogle, thus constituting a quorum.

Also present for all or part of the meeting were residents of the District as listed on the attached attendance sheets, including Barb Smith of the Champion Forest Maintenance Fund; Greg French of the Raveneaux Country Club; Kim Shelnett of Myrtle Cruz, Inc.; Nabil Joubran of Pepe Engineering, Ltd.; Andrew Phelps of Environmental Development Partners, LLC; Esther Flores of Tax Tech, Inc.; Les Griffith of Champions Hydro-Lawn, Inc. ("CHL"); and Greer Pagan and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

Director DiCioccio called the meeting to order.

PUBLIC COMMENTS

Director DiCioccio opened the meeting to receive public comments. Various residents made comments regarding Beazer Homes' proposed phased development project for a 6.8-acre portion of the 27-acre Raveneaux Country Club tract, beginning with two mid-rise condominium buildings on 2.2 acres of the tract, and requested variances to the District's Raveneaux Redevelopment Agreement with JP Raveneaux Partners LP and Kera Development, L.P. ("Raveneaux Redevelopment Agreement. There being no additional public comments, Director DiCioccio closed the meeting to public comments.

PROPOSED DEVELOPMENT PROJECT FOR THE RAVENEAUX COUNTRY CLUB TRACT, INCLUDING ACTIONS RELATED TO THE LEASE AGREEMENT

The Board discussed Beazer Homes' proposed phased development project for a portion of the Raveneaux Country Club tract. Director DiCioccio noted that the Board's

responses to Beazer Homes' requests for amendments to the Raveneaux Redevelopment Agreement are posted on the Home Page of the District's website, [www.cyforestpud.com](http://www.cyforestpud.com).

Director Normand addressed the meeting attendees to recap the history of the negotiations leading up to the Raveneaux Redevelopment Agreement, explain portions of the Raveneaux Redevelopment Agreement, and discuss a recently received request for amendments to the Raveneaux Redevelopment Agreement.

Mr. French addressed the Board and meeting attendees regarding challenges faced by the Raveneaux Country Club and expressed his support for the proposed development of the Raveneaux Country Club tract.

#### CONSENT AGENDA:

##### APPROVE MINUTES

##### FINANCIAL AND BOOKKEEPING, INCLUDING PAYMENT OF BILLS

##### TAX ASSESSMENT AND COLLECTION, INCLUDING PAYMENT OF BILLS

##### ENGINEERING, INCLUDING LONG-TERM MAINTENANCE PLAN

##### OPERATION OF DISTRICT FACILITIES

Upon a motion made by Director Parker and seconded by Director Normand, the Board voted unanimously to approve the items included on the Consent Agenda, including the minutes of the meeting held February 7, 2017. Copies of the bookkeeper's report, tax assessor/collector's report, and operator's report are attached.

#### ADDITIONAL FINANCIAL AND BOOKKEEPING ACTION ITEMS

There were no additional financial and bookkeeping action items.

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

There were no additional tax assessment or collection items.

#### APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME

The Board reviewed the District's Annual Report for filing with the appropriate information depositories by March 31, 2017, in accordance with the District's Continuing Disclosure of Information Agreements and as required by SEC Rule 15c2-12. Following review and discussion, Director Normand moved to approve the Annual Report and direct that the report be filed appropriately and retained in the District's official records. Director Parker seconded the motion, which was approved by unanimous vote.

## PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board conducted an annual review of the District's Procedures for Continuing Disclosure Compliance and concurred that no action was necessary.

## HOMEOWNERS ASSOCIATION MATTERS

Director DiCioccio reported on a presentation he gave during the Champion Forest Maintenance Fund annual meeting. Ms. Smith addressed the Board regarding Champion Forest Maintenance Fund matters.

## DEVELOPMENT AND MAINTENANCE OF PARKS AND TRAILS

Director Normand reported on matters related to the development and maintenance of park facilities and trails in Cypress Forest Park. He reported that the irrigation system is operational. He reviewed a cost estimate from CHL for installing two caution signs at a blind curve on the walking trail in the amount of \$400.00. Following review and discussion, Director Normand moved to approve the cost estimate from CHL in the amount of 400.00. Director Parker seconded the motion, which was approved by unanimous vote.

## ADDITIONAL ENGINEERING ACTION ITEMS AND PROJECT FOR CONVEYANCE OF WASTEWATER

Mr. Joubran updated the Board on an inquiry regarding a proposed annexation of a 13-acre tract for a retail and restaurant building facing Louetta Drive, two medical office buildings set back within the tract, and a future indoor shooting range in the back of the property. He reminded the Board that the inquiry included a request for water and sewer services and a determination of whether a reimbursement agreement with the District would be feasible. He noted that the developer's calculations for water and sewer capacity for the proposed development are included in the engineer's report. Following review and discussion of the proposed development project, the Board requested that the developers of the project attend the April regular meeting to provide additional information.

## PROJECT FOR CONVEYANCE OF WASTEWATER

Mr. Joubran updated the Board on the proposed conveyance of wastewater from Champions Municipal Utility District ("Champions MUD") to the Kleinwood Regional Wastewater Treatment Plant (the "KRWTP"). He stated that Champions MUD is preparing a Preliminary Engineering Report that includes Champions MUD's and the District's corresponding improvements for submission to the City of Houston.

## AGREEMENT FOR RECLAIMED WATER SERVICE, RECLAIMED WATER SUPPLY AGREEMENT, AND EFFLUENT REUSE DISTRIBUTION SYSTEM

The Board concurred to defer this matter.

## KRWTP MATTERS

Director DiCioccio reported on the operations and maintenance of the KRWTP, including a cost estimate for Phase 1 electrical modifications in an amount not to exceed \$551,820.00. Following discussion, Director Normand moved to adopt a Resolution Authorizing Action by Kleinwood Joint Powers Board Member for Phase 1 electrical modifications. Director Parker seconded the motion, which was approved by unanimous vote.

## ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

The Board concurred to defer this item.

## ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

The Board conducted an annual review of the District's Drought Contingency Plan and concurred that no changes were necessary.

## ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS

Mr. Phelps reviewed proposed revised District water rates that include a separate fee encompassing the fees charged by the North Harris County Regional Water Authority (the "NHCRWA") to the District. He recommended that the proposed revised rates become effective on April 1, 2017. Following review and discussion, Director Parker moved to adopt an Amended Rate Order that includes a separate designation of the NHCRWA fee, a \$7.00 minimum monthly water rate for all Users, except Public Irrigation Users, and a \$1.02 monthly water rate for Public Irrigation Users, effective April 1, 2017. Director Normand seconded the motion, which was approved by unanimous vote.

## CONDUCT HEARING ON TERMINATION OF WATER SERVICE

The Board conducted a hearing on the termination of water service. Mr. Phelps presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Normand moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Parker and passed by unanimous vote.

## NHCRWA MATTERS

The Board concurred to defer this item.

## PUBLIC COMMUNICATIONS

The Board discussed articles for publication in the Champion Forest Women's Club Newsletter.

## MEETING SCHEDULE AND AGENDA

The Board discussed its meeting schedule and items for inclusion on the next meeting agenda and concurred to hold its April 4, 2017, meeting at 5:00 p.m. at the District's Administrative Building.

## CONVENE IN EXECUTIVE SESSION

The Board did not convene in executive session

There being no other matters to come before the Board, the meeting was adjourned.

[SIGNATURE PAGE FOR THE MINUTES OF THE MARCH 7, 2017, BOARD MEETING]



Secretary, Board of Directors

(SEAL)



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