

MINUTES  
CYPRESS FOREST PUBLIC UTILITY DISTRICT

November 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 7<sup>th</sup> day of November, 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, thus constituting a quorum.

Also present for all or part of the meeting were Barb Smith of Champion Forest Maintenance Fund ("CF HOA") and resident of the District; Kim Shelnett of Myrtle Cruz, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); Andrew Phelps of Environmental Development Partners, LLC ("EDP"); Esther Flores and Patrick Flores of Tax Tech, Inc.; Les Griffith of Champions Hydro-Lawn, Inc.; and Greer Pagan and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director DiCioccio opened the meeting to receive public comments. There being no public comments, Director DiCioccio closed the meeting to public comments.

PROPOSED DEVELOPMENT PROJECT FOR THE RAVENEAUX COUNTRY CLUB TRACT

There were no updates regarding Beazer Homes' proposed phased development project for a portion of the Raveneaux Country Club tract. Discussion ensued regarding debris removal from the 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 Petrick 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 October 3, 2017. Copies of the bookkeeper's report, tax assessor/collector's report, engineer's report, and operator's report are attached.

## ADDITIONAL FINANCIAL AND BOOKKEEPING ACTION ITEMS

Ms. Shelnutt stated that she will hold the check for the District's share of the costs for design engineering and permitting fees per the Reclaimed Water Supply Agreement with the Kleinwood Joint Powers Board and the Kleinwood Regional Wastewater Treatment Plant (the "KRWTP") participants, pending receipt of the invoice.

## ANNUAL REVIEW OF INVESTMENT POLICY, AUTHORIZED DEPOSITORY INSTITUTIONS, AND QUALIFIED BROKER/DEALERS

The Board conducted an annual review of the District's Investment Policy. Mr. Pagan reviewed recommended changes to the District's Investment Policy due to several changes to the Public Funds Investment Act, Public Funds Collateral Act, and other laws impacting the investments of governmental entities that were enacted during the 2017 Legislative Session.

Mr. Pagan reported that the District's bookkeeper submitted an updated list of authorized depository institutions and qualified broker dealers, which includes all banks where the District maintains deposits and investments.

After review and discussion, Director Parker moved to adopt: (i) a Resolution Regarding Annual Review of Investment Policy and Adoption of Amended Investment Policy; and (ii) a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker Dealers with Whom the District May Engage in Investment Transactions. Director Petrick seconded the motion, which was approved by unanimous vote.

## ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

Ms. Flores reviewed a proposed notice providing the tax assessor/collector's contact information for use by residents who did not receive their tax statements. She reviewed an additional proposed notice providing information related to the process for submitting an application to request a payment plan for property impacted by a natural disaster. Following review and discussion, the Board authorized placing the notices on the District's November and December, 2017 utility bills and website.

## BALLOT FOR HARRIS COUNTY APPRAISAL DISTRICT ("HCAD") ELECTION

The Board reviewed a ballot for the HCAD Board of Directors Election. Following review and discussion, Director Petrick moved to adopt a Resolution Casting Ballot for the Election of a Person to the Board of Directors of Harris County Appraisal District casting the District's vote for Glenn E. Peters. Director Normand seconded the motion, which was approved by unanimous vote.

## HOMEOWNERS ASSOCIATION MATTERS

Director Petrick reported on matters discussed during a meeting of the CF HOA. Ms. Smith addressed the Board regarding CF HOA 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 Trees for Houston recently delivered approximately 160 donated trees to the District. He recommended that Bella Terra Care, Inc. ("BTC") perform the services needed to plant the donated trees in an amount not to exceed \$8,000.00. Following discussion, Director Petrick moved to authorize BTC to perform the services needed to plant the trees donated by Trees for Houston in Cypress Forest Park in an amount not to exceed \$8,000.00. Director Normand seconded the motion, which was approved by unanimous vote.

## RECONVEYANCE OF A 1.4409-ACRE PARCEL

Mr. Joubran reported there was no update regarding Pepe Engineering's coordination with the engineering consultants for the Church of Jesus Christ of Latter-Day Saints (the "Church") on a mutually agreeable solution that allows the District to retain ownership of a 1.4409-acre parcel located along Champion Forest Drive and provides any potential drainage required for the Church's proposed expansion of its parking lot.

## ADDITIONAL ENGINEERING ACTION ITEMS

Mr. Joubran reported on the status of design plans for repair of the drainage and trail structures in Cypress Forest Park damaged by the 2016 Tax Day Flood and Hurricane Harvey. He discussed his coordination with representatives of the Federal Emergency Management Agency ("FEMA") on the District's application for reimbursement of costs for damages resulting from both events. Following discussion, Director Normand moved to approve the plans and specifications and authorize Pepe Engineering to advertise for bids for the project in an amount not to exceed \$7,500.00 for related engineering and advertising fees. Director Petrick seconded the motion, which was approved by unanimous vote.

Mr. Joubran reported that the plans and specifications for construction of the eight-inch water line along Louetta Road to serve an eight-acre commercial tract pursuant to the District's Development Financing Agreement with District & Urban (Texas) Inc. are complete. Following discussion, Director Normand moved to approve the plans and specifications and authorize Pepe Engineering to advertise for bids for the project in an amount not to exceed \$8,500.00 for related engineering and advertising fees. Director Parker seconded the motion, which was approved by unanimous vote.

#### WASTEWATER CONVEYANCE PROJECT

Mr. Joubran reported there was no update on Champions Municipal Utility District's ("Champions MUD") proposed project to construct a dedicated force main to convey its wastewater to the KRWTP.

#### RECLAIMED WATER SUPPLY AGREEMENT, AGREEMENT FOR RECLAIMED WATER SERVICE, AND KRWTP MATTERS

The Board discussed matters related to a proposed effluent reuse treatment facility to be constructed in the vicinity of the KRWTP. Director Petrick reminded the Board that the District's Reclaimed Water Supply Agreement with the Kleinwood Joint Powers Board and the KRWTP participants has been fully executed and the Board has authorized payment of the District's share of the costs for design engineering and permitting fees. Discussion ensued regarding the anticipated schedule for receipt of reclaimed water from the KRWTP, anticipated users of the reclaimed water, and the process for moving forward with the design of the District's reclaimed water storage facility. Following discussion, the Board concurred to appoint Directors Normand and Fryfogle to a committee to coordinate with Pepe Engineering on developing a proposal to include a scope of work and a Preliminary Engineering Report to investigate the feasibility of constructing the District's proposed reclaimed water storage and distribution facilities.

#### HURRICANE HARVEY RELATED MATTERS AND ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS

Director Petrick reported on the status of repairs to the District's Administrative Building due to the impact of Hurricane Harvey and related to forced entry into the Building. Following discussion, the Board authorized Director Petrick to coordinate with Ms. Smith on replacing the furniture in the District's Administrative Building.

Mr. Phelps reported on the status of repairs to the District's damaged facilities at water plant no. 2 caused by Hurricane Harvey. He discussed the status of the District's application to FEMA for reimbursement of costs for damages resulting from Hurricane Harvey and presented a Grant Agreement for execution.

Discussion ensued regarding water pressure in the District.

Mr. Joubran reported on his efforts to coordinate with Shrader Engineering on preliminary recommendations for installing/converting generators, replacing a control panel, and raising critical components five to six feet at the District's facilities. He discussed the Texas Commission on Environmental Quality's current procedures related to generator installation which allows for an expedited process for installation. Discussion ensued regarding investigating diesel and natural gas generator options. Following discussion, the Board authorized Director DiCioccio to coordinate with Pepe Engineering and EDP on obtaining quotes from suppliers of diesel and natural gas generators for review.

#### 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.

#### NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA")

Director DiCioccio reported on topics discussed during the monthly meeting of the NHCRWA and summarized in the engineer's report.

#### PUBLIC COMMUNICATIONS

The Board discussed articles for publication in the Champion Forest Women's Club Newsletter and a meeting held with Harris County Commissioner Jack Cagle regarding park matters.

#### MEETING SCHEDULE AND AGENDA

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

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

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

Secretary, Board of Directors

(SEAL)



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