

MINUTES  
CYPRESS FOREST PUBLIC UTILITY DISTRICT

June 6, 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 6th day of June, 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 residents of the District as listed on the attached attendance sheet, including Vernon Vanis; Bob Pryor of Champions Municipal Utility District ("Champions MUD"); Bill Rosenbaum of Lockwood, Andrews & Newnam, Inc.; Kim Shelnett of Myrtle Cruz, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe"); Stephanie Bowden of Environmental Development Partners, LLC ("EDP"); Esther 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.

Director DiCioccio called the meeting to order.

PUBLIC COMMENTS

Director DiCioccio opened the meeting to receive public comments. Mr. Vanis addressed the Board to request an update regarding Beazer Homes' proposed development project for a 6.8-acre portion of the 27-acre Raveneaux Country Club tract and 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, including engineering correspondence

regarding the outstanding designation of the engineering firm for the project and correspondence from the Board of Governors of the Raveneaux Country Club in support of the project. The Board reported that, as previously authorized, a conference call was held with Michael Bloch to negotiate the District's offer to purchase the 6.8-acre portion of the 27-acre Raveneaux Country Club tract using up to \$1,500,000 of the District's General Operating Fund, subject to: (1) approval by the District's financial advisor and attorney; (2) withdrawal if the funds from the District's General Operating Fund are needed for a District emergency; and (3) verification of the value of the property by an appraisal report. The Board stated there has not been any additional contact with Mr. Bloch regarding the matter.

Director Normand discussed Pepe's draft report assessing the portion of the District's park property leased to the Raveneaux Country Club, a copy of which is attached to the engineer's report. He stated that the Raveneaux Country Club is performing the maintenance requirements per the District's Raveneaux Redevelopment Agreement. He discussed the District's application to the Federal Emergency Management Agency ("FEMA") for reimbursement of 75% of the cost of repairs required to the lease property due to the 2016 high water events, including determining the party responsible for paying the remaining 25% of repair costs. Mr. Joubran stated that the application to FEMA contemplates that FEMA will reimburse the District after the District makes the repairs in the approximate total amount of \$410,000.00.

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 Normand and seconded by Director Petrick, the Board voted unanimously to approve the items included on the Consent Agenda, including the minutes of the meeting held May 2, 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

There were no additional financial or bookkeeping items.

ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

Ms. Flores reviewed the District's preliminary assessed value and discussed delinquent tax accounts. Following review and discussion, Director Petrick moved to authorize the District's delinquent tax attorney to proceed with the collection of

delinquent taxes. Director Parker seconded the motion, which was approved by unanimous vote.

INTERLOCAL AGREEMENT FOR WATER WISE PROGRAM

The Board considered sponsoring another elementary school in place of Brill Elementary School pursuant to its Interlocal Agreement with the Harris-Galveston Subsidence District because Brill Elementary School did not participate in the Water Wise Program for the 2016-2017 school year. Following discussion, the Board concurred to decline sponsoring any other elementary school for the Water Wise Program.

HOMEOWNERS ASSOCIATION MATTERS

Director DiCioccio reported on his attendance at a meeting of the Champion Forest Maintenance Forest Fund.

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.

ADDITIONAL ENGINEERING ACTION ITEMS

Mr. Joubran recommended approval of a revised utility capacity reservation for a four-story office building under construction at 8917 (previously 8921) Louetta Road. He reminded the Board that the previous reservation was for a proposed two-story office building. Following discussion, Director Petrick moved to authorize execution of a revised utility commitment letter for 8917 Louetta Road as recommended. Director Parker seconded the motion, which was approved by unanimous vote.

WASTEWATER CONVEYANCE

Mr. Joubran updated the Board on the proposed project for conveyance of wastewater from Champions MUD to the Kleinwood Regional Wastewater Treatment Plant (the "KRWTP"). The Board reviewed a drawing of proposed routes for construction of Champions MUD's dedicated force main for the project, a copy of which is attached to the engineer's report. Mr. Rosenbaum and Mr. Pryor responded to Board members' questions regarding consideration of a proposed route that would bypass the District's lift station and force main and require easements from the District, including the anticipated value of such easements, acknowledgement of the easements required from the Raveneaux Country Club as tenant, the impact of the easements on the District's proposed effluent distribution line, and regulatory matters. Additional discussion ensued regarding alternate routes. Following discussion, the Board concurred to continue to coordinate with Champions MUD to determine an optimal

route for Champions MUD's dedicated force main for the project.

### AGREEMENT FOR RECLAIMED WATER SERVICE AND RECLAIMED WATER SUPPLY AGREEMENT

The Board discussed matters related to a proposed effluent reuse treatment facility to be located in the vicinity of the KRWTP, including a proposed Reclaimed Water Supply Agreement with the Kleinwood Joint Powers Board (the "Joint Powers Board") and an Agreement for Reclaimed Water Service with the Raveneaux Country Club. Mr. Pagan reported on his review of a draft agreement with the Joint Powers Board.

### KRWTP MATTERS

Director Petrick reported on the operations and maintenance of the KRWTP, including capacity matters.

### REPAIR AND MAINTENANCE ITEMS

Ms. Bowden reported that an obstruction was removed from the sanitary sewer line that serves 15910 Arkdale Court and several other residences. She stated that minor repairs for the line may need to be included in the District's next sanitary sewer rehabilitation project.

Ms. Bowden discussed repairs being made to a fire hydrant damaged by an automobile. She stated that Harris County was contacted to repair a sinkhole located near the fire hydrant.

### CONDUCT HEARING ON TERMINATION OF WATER SERVICE

The Board conducted a hearing on the termination of water service. Ms. Bowden 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.

## EMERGENCY PREPAREDNESS

Ms. Bowden discussed emergency operations for the District and noted that an emergency contact list was attached to the operator's report.

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

Director DiCioccio reported on the monthly meeting of the NHCRWA.

## PUBLIC COMMUNICATIONS

The Board discussed articles for publication in the Champion Forest Women's Club Newsletter. Director Petrick reported that Andrew Phelps of EDP was very helpful with providing an article for the most recent newsletter. He requested that EDP provide him with information for an article regarding hurricane preparedness for an upcoming newsletter.

## MEETING SCHEDULE AND AGENDA

The Board discussed its meeting schedule and items for inclusion on the next meeting agenda and concurred to reschedule its July 4, 2017, meeting to July 11, 2017, 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 JUNE 6, 2017, BOARD MEETING]



Secretary, Board of Directors

(SEAL)



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