

MINUTES  
CYPRESS FOREST PUBLIC UTILITY DISTRICT

December 4, 2018

The Board of Directors (the "Board") of Cypress Forest Public Utility District, (the "District"), met in regular session, open to the public, on the 4th day of December, 2018, 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
James B. Fryfogle	Assistant Vice President
Vernon Vanis	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present for all or part of the meeting were Greg French of the Raveneaux Country Club; Mark Eyring of Roth & Eyring, PLLC; Andrew Phelps of Environmental Development Partners, LLC ("EDP"); Kim Shelnutt of Myrtle Cruz, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); Esther Flores of Tax Tech, Inc.; Les Griffith of Champions Hydro-Lawn, Inc. ("CHL"); and Greer Pagan and Faye Simonds of Allen Boone Humphries Robinson LLP.

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 RAVENEAUX TRACT DEVELOPMENT AND LEASE TRACT MAINTENANCE

There was no discussion regarding the status of a proposed development project for the Raveneaux Country Club tract.

CONSENT AGENDA:

APPROVE MINUTES

FINANCIAL AND BOOKKEEPING, INCLUDING PAYMENT OF BILLS

TAX ASSESSMENT AND COLLECTION, INCLUDING PAYMENT OF BILLS

OPERATION OF DISTRICT FACILITIES

Upon a motion made by Director Vanis 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 November 6, 2018. Copies of the bookkeeper's report, tax assessor/collector's report, and operator's report are attached.

#### AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2018

Mr. Eyring presented and reviewed a draft audit for fiscal year ended September 30, 2018. After review and discussion, Director Normand moved to approve the audit, subject to final comments from the Board and consultants, and direct that the finalized audit be filed appropriately and retained in the District's official records. Director Fryfogle seconded the motion, which was approved by unanimous vote.

#### EMINENT DOMAIN REPORT

Mr. Pagan reported on the District's filing requirements related to eminent domain authority and stated that the District's Eminent Domain Authority Annual Report will be filed with the Comptroller of the State of Texas as required.

#### TRAVEL REIMBURSEMENT GUIDELINES

The Board discussed the District's Travel Reimbursement Guidelines and Directors' attendance at the Association of Water Board Directors winter conference. Following discussion, Director Normand moved to approve payment of two per diems for the winter conference. Director Fryfogle seconded the motion, which was approved by unanimous vote.

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

There were no additional tax assessment or collection items.

#### ADDITIONAL FINANCIAL AND BOOKKEEPING ACTION ITEMS

Ms. Shelnett reported that a check payable to Sales Revenue, Inc. for June, 2018 services in the amount of \$160.00 was voided and replaced with check no. 3890. She presented two additional checks for payment of an invoice submitted by Constellation Energy in the amount of \$232.26 and Pay Estimate No. 4 and Final submitted by WadeCon, LLC for the drainage system repair project within Cypress Forest Park in the amount of \$37,421.20. Following review and discussion, Director Normand moved to authorize execution of the two additional checks. Director Petrick seconded the motion, which was approved by unanimous vote.

#### HOMEOWNERS ASSOCIATION MATTERS

There was no discussion regarding homeowners' association 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, including pond drainage, sidewalk flooding, and sidewalk erosion matters. He reviewed a proposal from CHL containing two options for temporarily repairing the void under the sidewalk to prevent additional sidewalk erosion in the amounts of \$9,920.00 and \$10,700.00. Discussion ensued regarding the anticipated schedule for permanent repairs to be performed in the area by Harris County Flood Control District ("HCFCD"). Following review and discussion, Director Normand moved to approve Option 2 of CHL's proposal in the amount of \$10,700.00, subject to Director DiCioccio's determination of HCFCD's schedule for repair of the area. Director Vanis seconded the motion, which was approved by unanimous vote.

Director Normand reported that Trees for Houston is scheduled to deliver approximately 150 donated trees to Cypress Forest Park soon. He stated Bella Terra Care, Inc. anticipates planting the donated trees prior to December 25, 2018.

The Board discussed email correspondence from Dennis Johnston, Parks Director for Harris County Precinct 4 ("HCP4"), requesting a meeting with representatives of the District to discuss the best methods for approaching potential acquisitions of District property for trail development between Meyer Park and Cypress Forest Park for the Cypress Creek Greenway. Following review and discussion, Director Petrick moved to appoint Directors Petrick and Normand to a Committee to meet with Mr. Pagan and representatives of HCP4 regarding HCP4's potential acquisitions of District property related to the Cypress Creek Greenway. Director Fryfogle seconded the motion, which was approved by unanimous vote.

## ENGINEER'S REPORT

Mr. Joubran presented the engineer's report, a copy of which is attached. He stated no updates were made to the District's Capital Improvement Plan. He reported on Pepe Engineering's review of water tank inspection reports and recommended performing a technical inspection of the water tanks next year.

Mr. Joubran reported on the status of Hatch Associates Consultants, Inc.'s ("Hatch") design of the generator replacement and electrical system upgrades project at water plant no. 2, in coordination with Pepe Engineering and EDP. He reported that the Federal Emergency Management Agency ("FEMA") is requiring a third party evaluation to validate the assessment made for the condition of the existing electrical equipment. He stated that Pepe Engineering is coordinating with Hatch and EDP on securing the third party evaluation pursuant to the new requirement.

Mr. Joubran reported on the status of Horseshoe Construction, Inc.'s televising performed in preparation for the District's repair project for the sanitary sewer collection lines in Champion Forest Sections One and Two and trunk lines along Champion Drive.

Mr. Joubran reported that the drainage system repair project within Cypress Forest Park is complete and HCFCD has issued an approval letter for the project. He recommended approval of a time extension of 11 days to the contract and Pay Estimate No. 4 and Final submitted by WadeCon, LLC for the project in the amount of \$37,421.20. Mr. Joubran stated that all documents related to a reimbursement application on behalf of the District for the project have been submitted to FEMA. Following review and discussion, Director Normand moved to: (1) approve a time extension of 11 days to the contract and Pay Estimate No. 4 and Final submitted by WadeCon, LLC, as recommended; and (2) accept the drainage system repair project within Cypress Forest Park. Director Petrick seconded the motion, which was approved by unanimous vote.

Mr. Joubran reported on the status of the construction of an eight-inch water line along Louetta Road to serve an eight-acre commercial tract pursuant to the District's contract with Canyon Construction Company, Inc. He stated the project continues to be delayed due to scheduling conflicts with required personnel from ExxonMobil Pipeline Company ("Exxon") pursuant to the District's Right-of-Way Consent Agreement with Exxon. He stated Exxon has tentatively scheduled its field personnel to be on-site January 14 and 15, 2019.

#### WASTEWATER CONVEYANCE PROJECT

Mr. Joubran reported on the status of Champions Municipal Utility District's ("Champions MUD") projects consisting of: (1) construction of a sanitary force main line to convey its wastewater to the Kleinwood Regional Wastewater Treatment Plant (the "KRWTP"); and (2) installation of an effluent water main line. Mr. Joubran reported that Champions MUD's engineering consultant stated that award of the construction contract for Champions MUD's projects is being withheld, pending resolution of matters with Champions Golf Course and possible rerouting of the sanitary force main due to a possible relocation of the KRWTP's effluent metering station.

#### RECLAIMED WATER SUPPLY PROJECT

The Board discussed the status of the proposed effluent reuse treatment facility to be constructed in the vicinity of the KRWTP and the District's reclaimed water supply project. Mr. Joubran reported that consent from the owners of the Raveneaux Country Club for the proposed location of the District's reclaimed water plant within acreage leased to the owners remains pending. He stated that Pepe Engineering is awaiting the Board's final comments prior to issuing the final Preliminary Engineering

Report for the District's proposed storage and distribution facilities for the reclaimed water supply project.

Mr. Joubran reported that the Church of Jesus Christ of Latter Day Saints requested that the Kleinwood Joint Powers Board explore other location options for a proposed access easement to accommodate the KRWTP's effluent reuse water distribution point facilities. Mr. Joubran reviewed a memorandum from the engineering consultant for the KRWTP regarding location options for the proposed effluent distribution station. A copy of the memorandum is attached to the engineer's report. Mr. Joubran recommended that the Board consider a conceptual alternative plan that includes encompassing the KRWTP's effluent metering station within the District's proposed reclaimed water plant per a sketch attached to the engineer's report. He stated the proposed alternative plan would be contingent upon securing approvals from Champions MUD and the owners of the Raveneaux Country Club. He discussed additional easements and/or easement modifications that may be necessary to accommodate any change in the location of the effluent metering station. Following review and discussion, the Board concurred with the conceptual alternative plan to relocate the effluent metering station site within the District's proposed reclaimed water plant, subject to the approval of all stakeholders. The Board authorized Pepe Engineering to study the amounts of pressure, pumping, and capacity needed for the District's reclaimed water line(s) in an amount not to exceed \$10,000.00.

#### KRWTP MATTERS

Director Petrick reported on KRWTP operations and maintenance matters.

#### HURRICANE HARVEY RELATED MATTERS

Mr. Phelps stated there was no update on EDP's continued coordination with FEMA on additional reimbursements to the District for damages caused by Hurricane Harvey and approval of the District's pending mitigation and generator replacement projects.

#### ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS

The Board reviewed a proposed water leak bill adjustment policy. Following review and discussion, Director Normand moved to adopt an Amended Rate Order to include the water leak bill adjustment policy, subject to adding a requirement for submission of evidence that a water leak was the cause of the high water usage. Director Fryfogle 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 prior to the meeting, in accordance with the District's Rate Order, 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 Fryfogle and passed by unanimous vote.

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

Director DiCioccio reported on items discussed during the monthly meeting of the NHCRWA, including a public budget workshop held November 19, 2018. He stated the NHCRWA will increase its fees in the amount of \$0.45, effective April 1, 2019.

#### PUBLIC COMMUNICATIONS

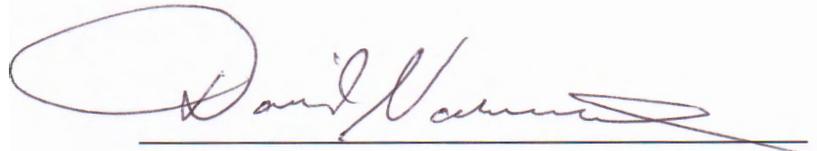
The Board discussed articles for publication in the Champion Forest Women's Club Newsletter and information for posting on the District's website. Following discussion, the Board concurred to post a link to the NHCRWA's video explaining the rising cost of water on the District's website.

#### MEETING SCHEDULE AND AGENDA

The Board discussed its meeting schedule and items for inclusion on its meeting agenda. Following discussion, the Board concurred to hold its regular meeting at 5:00 p.m. on January 8, 2019, at the District's Administrative Building.

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

[SIGNATURE PAGE FOR THE MINUTES OF THE DECEMBER 4, 2018, BOARD MEETING]



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax Assessor/Collector's report .....	2
Operator's report.....	2
Engineer's report.....	3