

MINUTES

CYPRESS FOREST PUBLIC UTILITY DISTRICT

August 7, 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 7th day of August, 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
Vernon Vanis	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 and Mary Matthews of the Champion Forest Maintenance Fund, Inc. (the "CF HOA") and residents of the District; Andrew Phelps of Environmental Development Partners, LLC ("EDP"); Kim Shelnett of Myrtle Cruz, Inc.; Salim Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); Esther Flores and Laura Flores of Tax Tech, Inc.; Les Griffith and Josh Fort of Champions Hydro-Lawn, Inc. ("CHL"); and Greer Pagan and Justine M. Cherne 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

Director Petrick reported on discussions he had with Michael Bloch, owner of the Raveneaux Country Club tract, related to the District's reclaimed water supply project.

Discussion ensued regarding maintenance of the lease 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

The Board concurred to remove the engineer's report from the Consent Agenda. Upon a motion made by Director Normand and seconded by Director Petrick, the Board voted unanimously to approve the remaining items included on the Consent Agenda, including the minutes of the meeting held July 3, 2018. 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 presented one additional check to reimburse Director Petrick for expenses for the District's Administrative Building. Following review and discussion, Director Fryfogle moved to authorize execution of the additional check. Director Vanis seconded the motion, which was approved by unanimous vote.

BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2019

Ms. Shelnutt reviewed a draft budget for fiscal year end September 30, 2019. Discussion ensued regarding revisions needed to budget line items. Following discussion, Ms. Shelnutt stated she will update the draft budget and present a revised budget at the September Board meeting.

ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

There were no additional tax assessment or collection actions.

HOMEOWNERS ASSOCIATION MATTERS

Director DiCioccio reported on matters discussed during a recent meeting of the CF HOA.

Ms. Smith reported on CF HOA activities and discussed residents' requests that the overgrown oleanders along the border of the District's Administrative Building property be trimmed. She reported that the management company for the CF HOA has begun holding office hours at the District's Administrative Building from 10:00 a.m. to 2:00 p.m. during the first and third Wednesdays of each month.

Ms. Smith requested the District's participation in the CF HOA's National Night Out Event scheduled October 2, 2018. Following discussion, Director Petrick moved to authorize payment for the District's participation in the CF HOA's National Night Out Event in the amount of \$1,000.00. Director Vanis seconded the motion, which was approved by unanimous vote.

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 tree removal.

Mr. Griffith introduced Mr. Fort to the Board.

Mr. Griffith reminded the Board that it previously approved tree trimming and removal of overgrown and dead vegetation from the water plant no. 1 site in an amount not to exceed \$3,000.00. He reported that the site conditions required more work than anticipated and stated that some of the landscape debris on the site was caused by Hurricane Harvey. He presented a proposal from CHL in the amount of \$3,780.00 for tree trimming and removal of landscape debris at the water plant no. 1 site. After review and discussion, Director Petrick moved to approve the proposal as presented. Director Vanis seconded the motion, which was approved by unanimous vote.

ADDITIONAL ENGINEERING ACTION ITEMS

Mr. Joubran stated that two bids were received for the sanitary sewer rehabilitation project in Champion Forest, Sections 1 and 2. Mr. Joubran recommended that the Board award the contract to Horseshoe Construction, Inc. ("Horseshoe") in the amount of \$697,836.50. Copies of a summary of bids and a letter recommending bid award are attached to the engineer's report. The Board concurred that, in its judgment, Horseshoe was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Joubran recommended Pepe Engineering's use of Preventative Services, Inc. as a sub-consultant to provide inspection services during the sanitary sewer rehabilitation project in Champion Forest, Sections 1 and 2, in the amount of \$100,600.00, including construction management fees.

Following review and discussion, Director Normand moved to: (1) award the contract for the sanitary sewer rehabilitation project in Champion Forest, Sections 1 and 2 to Horseshoe in the amount of \$697,836.50, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; and (2) authorize inspection and construction management fees in the amount of \$100,600.00 for the project, as recommended. Discussion ensued regarding public communications for the project. Director Petrick seconded the motion, which passed by unanimous vote.

Mr. Joubran recommended approval of a proposal from Bean Consulting, LLP submitted by Sander Engineering, the engineering consultant for Cy-Champ P.U.D., for repair of the trestle facility carrying the District's main water line interconnection with Cy-Champ P.U.D. and Cy-Champ P.U.D.'s sanitary sewer force main. A copy of the

proposal is attached to the engineer's report. Mr. Joubran stated that the District's share of the proposal is \$6,300.00 which is 50% of the total cost. Following review and discussion, Director Normand moved to approve the proposal as presented. Director Fryfogle seconded the motion, which was approved by unanimous vote.

WASTEWATER CONVEYANCE PROJECT

Mr. Joubran reported on an updated request from Champions Municipal Utility District ("Champions MUD") for an easement through portions of Cypress Forest Park for Champions MUD's 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. He stated that the current alignment of the sanitary force main follows the alignment previously approved by the Board on April 3, 2018, and avoids disturbing any esplanades. Following review and discussion, Director Vanis moved to authorize execution of the Sanitary Sewer Force Main and Reclaimed Water Line Easement, subject to receipt of \$2,066.00 from Champions MUD. Director Fryfogle seconded the motion, which was approved by unanimous vote.

RECLAIMED WATER SUPPLY PROJECT

Mr. Joubran reported that Pepe Engineering coordinated with the District's consultants to complete a Core Data Form required by the Texas Commission on Environmental Quality ("TCEQ") for the permit for the proposed effluent reuse treatment facility to be constructed in the vicinity of the KRWTP. A copy of the completed form is attached to the engineer's report. Following review and discussion, Director Petrick moved to authorize execution and submission of the TCEQ Core Data Form. Director Fryfogle seconded the motion, which was approved by unanimous vote.

The Board considered a request from the Kleinwood Joint Powers Board to extend the deadline for implementation of the Reclaimed Water Supply Agreement from August 31, 2018, to October 31, 2018. Following discussion, Director Petrick moved to authorize extension of the deadline as requested. Director Vanis seconded the motion, which was approved by unanimous vote.

KRWTP MATTERS

Directors Vanis and Petrick reported on KRWTP operations and maintenance matters.

HURRICANE HARVEY RELATED MATTERS

Mr. Phelps reported that EDP continues to coordinate with the Federal Emergency Management Agency on procedures necessary for the District to receive

reimbursement for repair of facilities damaged by Hurricane Harvey.

ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS

Mr. Phelps responded to Board members' questions regarding an outstanding back charge to a contractor for a damaged water main line. He additionally responded to questions regarding inspection of the repair of the District's main sanitary sewer line previously blocked by a homeowner's four-inch tap line that dropped into the District's line at 16010 Stratton Park.

Mr. Phelps recommended reclassifying two inactive accounts totaling \$2,027.08 as uncollectible and removing them from the District's delinquent list. Following review and discussion, Director Normand moved to authorize write-off of the accounts as recommended. Director Petrick 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 Petrick and passed by unanimous vote.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA")

Director DiCioccio reported on the monthly meeting of the NHCRWA, including an upcoming election for two of the members of the Board of the NHCRWA.

PUBLIC COMMUNICATIONS

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

Ms. Smith reported on complaints received from District residents regarding unsightly construction maintenance at Esplanade No. 36.

The Board reviewed correspondence from the Brill Elementary Parent Teacher Organization requesting that the District sponsor a water filling station at the school in

the amount of \$1,200.00. A copy of the correspondence is attached. Following review and discussion, Director Petrick moved to authorize sponsorship of the water filling station at Brill Elementary School in the amount of \$1,200.00. Director Vanis seconded the motion, which was approved by unanimous vote.

RESOLUTION IN SUPPORT OF HARRIS COUNTY BOND ELECTION

The Board discussed Harris County Flood Control District's Bond Election scheduled August 25, 2018. Following discussion, Director Vanis moved to declare the Board's support for the passage of Harris County Flood Control District's August 25, 2018, Bond Election, Ballot Proposition A. Director Petrick seconded the motion, which passed by majority vote, with Director DiCioccio abstaining from the vote.

MEETING SCHEDULE AND AGENDA

The Board discussed items for inclusion on the agenda of its September 4, 2018, meeting at 5:00 p.m. 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 AUGUST 7, 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
Engineer's report.....	2
Operator's report.....	2
correspondence from Brill Elementary Parent Teacher Organization	5