

MINUTES
CYPRESS FOREST PUBLIC UTILITY DISTRICT

May 7, 2019

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 May, 2019, 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 except Director Fryfogle, thus constituting a quorum.

Also present for all or part of the meeting were Martin Ndukwe and Beccy Ndukwe, residents of the District; Barb Smith of the Champion Forest Maintenance Fund, Inc. (the "CF HOA") and resident of the District; Kim Courte of Arthur J. Gallagher & Co. via teleconference; Kim Shelnutt of Myrtle Cruz, Inc.; Esther Flores of Tax Tech, Inc.; Nabil Joubran of Pepe Engineering, Ltd.; Andrew Phelps of Environmental Development Partners, LLC ("EDP"); Les Griffith and Josh Fort of Champions Hydro-Lawn, Inc.; and Greer Pagan and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

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

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 Normand and seconded by Director Vanis, the Board voted unanimously to approve the items included on the Consent Agenda, including the minutes of the meeting held April 2, 2019. Copies of the bookkeeper's report, tax assessor/collector's report, and operator's report are attached.

ADDITIONAL TAX ASSESSMENT AND COLLECTION ACTIONS

There were no additional tax assessment or collection items.

TRAVEL REIMBURSEMENT GUIDELINES

The Board discussed the District's guidelines for reimbursement of eligible expenses for the Association of Water Board Directors ("AWBD") conferences. Following review and discussion, Director Normand moved to approve payment of three per diems for the AWBD summer conference. Director Petrick seconded the motion, which was approved by unanimous vote.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a renewal proposal from Arthur J. Gallagher & Co. for the District's insurance policies due to expire June 1, 2019. Ms. Courte discussed coverages included in the proposal and responded to Board members' questions. In response to questions regarding the invoice received with the insurance renewal proposal, Ms. Courte stated that the invoice includes the total proposal amount of \$31,719.00, for payment with two separate checks in the amounts of \$11,038.00 payable to The Hartford for National Flood Insurance Program coverage for water plant no. 2 and \$19,916.00 for the remaining coverage. Following review and discussion, Director Vanis moved to approve the insurance renewal proposal in the amount of \$31,719.00. Director Petrick seconded the motion, which was approved by unanimous vote.

ADDITIONAL FINANCIAL AND BOOKKEEPING ACTION ITEMS

Ms. Shelnutt stated that check no. 4032 in the amount of \$31,719.00 will be voided and replaced with check no. 4055 in the amount of \$19,916.00 for payment of a revised invoice for the District's insurance renewal policy. Following review and discussion, Director Vanis moved to approve the additional check. Director Petrick seconded the motion, which was approved by unanimous vote.

CUSTOMER CORRESPONDENCE AND BILLINGS

Mr. Ndukwe addressed the Board to request an adjustment to his account. Mr. Phelps reviewed the historical usage and payments on the account and stated that the results of the bench test performed for the water meter for the account showed the meter is accurately reading. Following review and discussion, the Board authorized EDP to provide a one-time adjustment to the May, 2018 utility bill to an average of three months of usage pursuant to the District's current policy. The Board requested that EDP remove late fees and penalty charges from the account and apply previous payments to any balance remaining on the account. The Board authorized a six-month payment plan for any balance remaining on the account and reconnection once the first payment is received.

PROPOSED RAVENEAUX TRACT DEVELOPMENT, LEASE TRACT MAINTENANCE, AND RECLAIMED WATER SUPPLY PROJECT

Director Petrick reported that Mr. Bloch has not executed the easements needed for meter station and connection facilities for the proposed effluent reuse treatment facility to be constructed in the vicinity of the Kleinwood Regional Wastewater Treatment Plant (the "KRWTP"). Director Petrick and Mr. Pagan reported on conversations with Mr. Bloch regarding the proposed easements and the location of the District's reclaimed water plant site. Discussion ensued regarding relocating the District's reclaimed water plant site and/or the meter station to unencumbered park property.

DEVELOPMENT AND MAINTENANCE OF PARKS AND TRAILS AND COMMUNICATIONS WITH HARRIS COUNTY REPRESENTATIVES

Director Normand reported on matters related to the development and maintenance of park facilities and trails in Cypress Forest Park, including the completed repair of a low spot along the concrete trail located approximately 500 feet west of the bridge on Champion Forest Drive over Cypress Creek and within the leased-back acreage of the Raveneaux Country Club tract.

Director Petrick reported on his discussions with Dennis Johnston, Precinct 4 Parks Director regarding potential acquisitions of District property for trail development between Meyer Park and Cypress Forest Park for the Cypress Creek Greenway. Director Petrick stated that Mr. Johnston asked whether the District wanted to sell or provide an easement for property located east of Champion Forest Drive. Additional discussion ensued.

HOMEOWNERS ASSOCIATION MATTERS

Director DiCioccio reported on District topics discussed during a meeting of the CF HOA held during April.

Ms. Smith reported on CF HOA matters and requested permission to make a presentation at the Board's June meeting regarding the CF HOA's contract with Harris County Constable Precinct 4 for security services.

ENGINEER'S REPORT AND WASTEWATER CONVEYANCE PROJECT

Mr. Joubran presented the engineer's report, a copy of which is attached.

Mr. Joubran reported on coordination with the contractor for Champions Municipal Utility District's project to construct a sanitary force main line to convey wastewater to the KRWTP, through Cypress Forest Park, including the tie-in to the District's trunk lines in Cypresswood Drive and possible rehabilitation of the manhole in the esplanade at the intersection of Champion Forest Drive.

Mr. Joubran reported on the status of the District's repair project for the sanitary sewer collection lines in Champion Forest Sections One and Two and trunk lines along Champion Drive, including coordination with the contractor on any homeowner concerns. He discussed additional work required for spot repairs at three locations. He reviewed and recommended approval of Change Order No. 2 to the contract with Horseshoe Construction, Inc. ("Horseshoe") to increase the contract in the amount of \$69,500.00. The Board determined that Change Order No. 2 is beneficial to the District. After review and discussion, Director Vanis moved to approve Change Order No. 2 in the amount of \$69,500.00 as an increase to the contract with Horseshoe, based upon the Board's finding that the change order is beneficial to the District and the engineer's recommendation. Director Normand seconded the motion, which was approved by unanimous vote. A copy of the change order is included in the engineer's report.

Mr. Joubran recommended approval of Pay Estimate No. 6 in the amount of \$64,557.00 for payment to Horseshoe. After review and discussion, Director Vanis moved to approve Pay Estimate No. 6 in the amount of \$64,557.00. Director Petrick seconded the motion, which passed by unanimous vote. A copy of the pay estimate is included in the engineer's report.

Mr. Joubran presented an invoice in the amount of \$650.00 from Thomas Land Surveying for surveying services required to prepare an elevation certificate for the District's water plant no. 2 control building. He stated the certificate was requested by the District's insurance broker to secure a timely quote for National Flood Insurance Program coverage for the control building. Following review and discussion, Director Normand moved to approve the invoice as presented. Director Petrick seconded the motion, which was approved by unanimous vote. A copy of the invoice is included in the engineer's report.

Mr. Joubran reported on items discussed during the monthly meeting of the North Harris County Regional Water Authority (the "NHCRWA").

KRWTP MATTERS

Director Vanis reported on operations and maintenance matters reported on during the May 1, 2019, meeting of the KRWTP's Joint Powers Board, including anticipated budget increases.

ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS

Mr. Phelps responded to Board members' questions regarding the performance test reports for well nos. 1 and 2, copies of which are attached to the operator's report.

Mr. Phelps presented and reviewed with the Board a draft Consumer Confidence Report, a copy of which is included in the operator's report. Following review and discussion, Director Petrick moved to authorize mailing of the finalized Consumer Confidence Report and filing of the certificate of mailing with the Texas Commission on

Environmental Quality. 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 prior to the meeting, in accordance with the District's Rate Order, of the opportunity to appear before the Board 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 Vanis and passed by unanimous vote.

EMERGENCY PREPAREDNESS

Mr. Phelps discussed EDP's preparation of the District's facilities for emergency operations.

ANNUAL FILING OF CRITICAL LOAD SPREADSHEET

The Board reviewed the District's Critical Load Spreadsheet that had been updated by the District's consultants. After review and discussion, Director Vanis moved to authorize annual filing of the Critical Load Spreadsheet with the appropriate entities. Director Normand seconded the motion, which carried by unanimous vote.

MATTERS RELATED TO THE NHCRWA

Director DiCioccio reviewed items discussed during the monthly meeting of the NHCRWA.

REQUEST FROM BRILL ELEMENTARY PARENT TEACHER ORGANIZATION

The Board discussed correspondence from the Brill Elementary Parent Teacher Organization requesting that the District sponsor the installation of playground area shades at the school. A copy of the correspondence is attached. Following review and discussion, Director Petrick moved to sponsor the project in the amount of \$10,000.00. The motion died for lack of a second. Director Vanis moved to sponsor the project in the amount of \$5,000.00. Director Petrick seconded the motion, which was approved by unanimous vote.

PUBLIC COMMUNICATIONS

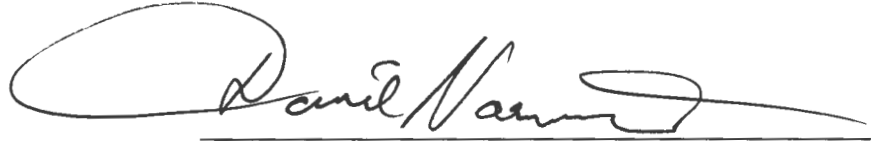
The Board discussed articles for publication in the Champion Forest Women's Club Newsletter.

MEETING SCHEDULE AND AGENDA

The Board discussed its meeting schedule and items for inclusion on its meeting agenda. Following discussion, the Board concurred to hold its regular meeting at 5:00 p.m. on June 4, 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 MAY 7, 2019, BOARD MEETING]



Secretary, Board of Directors

(SEAL)



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