

MINUTES
CYPRESS FOREST PUBLIC UTILITY DISTRICT

July 2, 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 2nd day of July, 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, thus constituting a quorum.

Also present for all or part of the meeting were Ana Carson, Suzanne Hayden, David Hayden, and Marti Schwind, residents of the District; Mary Matthews and Barb Smith of the Champion Forest Maintenance Fund, Inc. (the "CF HOA") and residents of the District; Kim Shelnett of Myrtle Cruz, Inc.; Esther Flores of Tax Tech, Inc.; David Aitken and Chris Daniel of Triton Consulting Group, LLC; Les Griffith and Josh Fort of Champions Hydro-Lawn, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); Andrew Phelps of Environmental Development Partners, LLC; and Greer Pagan and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director DiCioccio opened the meeting for public comments.

Ms. Hayden and Ms. Schwind addressed the Board to support the CF HOA's request that the District participate in the cost of the CF HOA's security contract. Copies of Ms. Hayden's and Ms. Schwind's completed Public Comment Cards are attached.

There being no additional 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 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 June 4, 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 actions.

REPORT ON LEGISLATIVE MATTERS

Mr. Pagan distributed ABHR's Capitol Report and reported on matters related to the 86th Regular Session of the Texas Legislature.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") CONFERENCES

The Board discussed topics presented at the AWBD summer conference and reviewed Directors' conference expenses. Following review and discussion, Director Petrick moved to approve reimbursement of eligible expenses for the AWBD summer conference and authorize Directors' attendance at the AWBD winter conference. Director Fryfogle seconded the motion, which was approved by unanimous vote.

The Board discussed proposed Directors' attendance at the AWBD summer workshop to be held August 22, 2019.

ADDITIONAL FINANCIAL AND BOOKKEEPING ACTION ITEMS

Ms. Shelnett reviewed one additional check for payment of the corrected amount of a Director per diem. Following review and discussion, Director Normand moved to approve the additional check. Director Petrick seconded the motion, which was approved by unanimous vote.

HOMEOWNERS ASSOCIATION MATTERS

Director DiCioccio reported on topics discussed at the CF HOA's monthly meeting.

Ms. Matthews reported on CF HOA matters, including a change in management companies beginning next month to save money and obtain better service.

Ms. Smith provided a brief summary of last month's presentation to the Board to request the Board's consideration of three options for either sharing or assuming the costs of the CF HOA's contract with Harris County Constable Precinct 4 for security services. She stated that the contract will increase to \$231,480.00 in March, 2020 and discussed the CF HOA's budget limitations and cost cutting measures taken by the CF HOA. She stated that the CF HOA would like to add a fourth deputy to the security

services contract. Following discussion, the Board authorized Director Fryfogle to coordinate with the CF HOA on the proposed budget for security services and report back at the next regular meeting.

EVO DISTRICT ANALYSIS AND METRICS REPORT

The Board reviewed a final EVO District Analysis and Metrics Report, a copy of which is attached.

PUBLIC COMMUNICATIONS

Mr. Aitken and Mr. Daniel presented a Communication Consulting Proposal, including communications consulting, website development and management, community engagement, and ongoing resident information, a copy of which is attached, and responded to Board members' questions.

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

PROPOSED RAVENEAUX TRACT DEVELOPMENT, LEASE TRACT MAINTENANCE, RECLAIMED WATER SUPPLY PROJECT, AND COMMUNICATIONS WITH HARRIS COUNTY REPRESENTATIVES

Mr. Pagan reported on his discussions with legal counsel of the Raveneaux Country Club related to easements needed for the meter station and connection facilities for the District's proposed reclaimed water plant facility and use of the lease back property for turf farming.

Director Petrick reported on his conversations with representatives of the Raveneaux Country Club regarding the same topics discussed by Mr. Pagan and a possible sale of a portion of the Raveneaux tract by the owner to a group of members of the Raveneaux Country Club.

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

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 anticipated construction site restoration and tree removal matters. He discussed a comment from a resident regarding mowing maintenance and stated that he will discuss mowing

maintenance of the leaseback acreage with representatives of the Raveneaux Country Club.

ENGINEER'S REPORT

Mr. Joubran presented the engineer's report, including an updated long term Capital Improvement Plan and short term cash flow analysis. A copy of the engineer's report is attached.

Mr. Joubran updated the Board on the design of the District's generator replacement and electrical system upgrades project at water plant no. 2. He reported that he received confirmation that the estimated costs for the proposed electrical control center upgrades in the amount of \$500,000.00 would not be eligible for reimbursement by the Federal Emergency Management Agency. Mr. Joubran stated that the plans and specifications for the project will be re-submitted for final agency review and approval soon.

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 Pepe Engineering's coordination with the contractor on any homeowner concerns. He reviewed and recommended approval of Change Order No. 3 to the contract with Horseshoe Construction, Inc. ("Horseshoe") to increase the contract in the amount of \$24,047.00. He stated the change order is for a change in field conditions increasing the length of repair for damaged pipe from 20 to approximately 70 feet. He additionally requested approval for the addition of 126 days to the duration of the contract submitted by Horseshoe for April through June, 2019. Following discussion, the Board determined that Change Order No. 3 is beneficial to the District. After review and discussion, Director Vanis moved to approve Change Order No. 3 in the amount of \$24,047.00 as an increase to the contract with Horseshoe and the addition of 126 days to the duration of the contract, based upon the Board's finding that the change order is beneficial to the District and the engineer's recommendation. Director Fryfogle seconded the motion, which was approved by unanimous vote. A copy of the change order is attached to the engineer's report.

Mr. Joubran recommended approval of Pay Estimate Nos. 7 and 8 in the amounts of \$115,904.70 and \$38,592.00, respectively, for payment to Horseshoe 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. After review and discussion, Director Normand moved to approve Pay Estimate Nos. 7 and 8, as presented. Director Fryfogle seconded the motion, which passed by unanimous vote. Copies of the pay estimates are attached to the engineer's report.

Mr. Joubran reported that Pepe Engineering received a request from the Sterling Gate Estates, Section 1 Homeowners' Association to clarify the District's potable water capacity availability for the amenity lake within the subdivision. He reported that Pepe Engineering confirmed that the District had allocated 38 Single Family Equivalent

Connections of potable water for the subdivision and did not allocate or have excess capacity to supply the amenity lake. Following discussion, Director Normand moved to authorize Pepe Engineering to issue a letter, on behalf of the District, to the Sterling Gate Estates, Section 1 Homeowners' Association, advising that the District does not have any additional reserved capacity to supply the amenity lake within the subdivision. Director Fryfogle seconded the motion, which was approved by unanimous vote.

Mr. Joubran reported that a potential developer of a tract of land located west of the District's western boundary, at 9639 Louetta Road, has inquired about the process to obtain approval for installation of a driveway from the south side of the tract to the nearest road in the subdivision, directly to the south. He stated that Pepe Engineering advised the developer to obtain appropriate authorizations from Harris County and the private property owners.

WASTEWATER CONVEYANCE PROJECT

Mr. Joubran reported on Pepe Engineering's coordination with the contractor for Champions Municipal Utility District's ("CMUD") project to construct a sanitary force main line to convey wastewater to the Kleinwood Regional Wastewater Treatment Plant (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. He stated that the contractor, Persons Services, has not yet completed installation through Cypress Forest Park property. He reported that in response to residents' and Directors' questions regarding whether the project would cause potential damage to trees located in the esplanades along Champion Forest Drive and Cypresswood Drive, Pepe Engineering confirmed with the contractor and the engineer for CMUD that most of the work will be performed using a boring method at a depth that is safe for the tree roots and any necessary excavations around trees are planned to be performed using the minimally invasive Hydro-Vac excavation method.

RECLAIMED WATER SUPPLY PROJECT (CONTINUED)

Director Petrick reported that the proposed alternate site for the meter station and connection facilities for the District's proposed reclaimed water plant facility has been accepted.

KRWTP OPERATIONS

Director Petrick reported on KRWTP operations and the appointment of a new president of the Kleinwood Joint Powers Board.

ADDITIONAL DISTRICT FACILITY OPERATIONS ACTION ITEMS, INCLUDING CUSTOMER CORRESPONDENCE AND BILLINGS

There were no additional District facility operations action items.

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 Petrick 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 Normand and passed by unanimous vote.

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

Director DiCioccio reported on matters related to the NHCRWA. He noted that a summary of items discussed during the monthly meeting of the NHCRWA is included in the attached engineer's report. Director Petrick discussed complaints from a few residents regarding an earthy taste/odor suspected to be the result of the algae bloom in Lake Houston. He stated the City of Houston has confirmed the water is safe to drink and complies with all federal and state potable water safety requirements.

RESIDENTIAL SOLID WASTE COLLECTION CONTRACT WITH WCA WASTE CORPORATION ("WCA")

The Board discussed the services provided in the District's Residential Solid Waste Collection Contract with WCA, including new guidelines for recycling services. Director DiCioccio reported that Anne Wilhite of WCA stated there were no planned changes to the District's current contract. The Board discussed notice requirements and term provisions related to the contract expiring September 30, 2019. No action was taken by the Board.

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 August 6, 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 JULY 2, 2019, BOARD MEETING]

A handwritten signature in black ink, appearing to read "David N. ...", written over a horizontal line.

Secretary, Board of Directors

(SEAL)



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