

**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99**

**MINUTES OF MEETING OF BOARD OF DIRECTORS**

**SEPTEMBER 17, 2024**

The Board of Directors (the "Board" or "Directors") of Harris County Water Control and Improvement District No. 99 (the "District") met in regular session, at 6:30 p.m. at 19423 Lockridge Drive, Spring, Texas 77373, on Tuesday, September 17, 2024, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Billy Ray Fritsche	President
Thomas Riddle	Vice President
George Galindo	Secretary
Rick Ghinelli	Director
Terry Wright	Director

All members of the Board were present, with the exception of Director Ghinelli, thus constituting a quorum. Also attending all or portions of the meeting were: Cathi Wilbanks of ETI Bookkeeping Services, bookkeeper for the District ("ETI"); Debbie Bessire of Equi-Tax, Inc. ("Tax Assessor/Collector"); Zachary A. Petrov, Attorney and Marisa Roberts, Paralegal of Johnson Petrov LLP ("Johnson Petrov" and/or "Attorney"); Doug Jacobson of Eagle Water Management, Inc., operator for the District ("Operator" and/or "Eagle Water"); Sergio Van Dusen, Engineer of Vogt Engineering, L.P., engineer for the District ("Engineer" and/or "Vogt"); Deputy D. Richardson, Lieutenant Lindley of the Harris County Constable's Office ("HCCO") and several residents (see sign-in sheet).

The President, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

1. Public Comment. Members of the public were given an opportunity to speak at this time.
2. Minutes. The Board reviewed the minutes of the regular meeting of August 20, 2024, a copy of which was previously distributed to the Board.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved minutes of the regular meeting of August 20, 2024, subject to a revision.

3. Constable's Report. Deputy Richardson reviewed the Constable's Report with the Board. Deputy Richardson responded to questions from the Board.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Constable's Report.

4. Bookkeeper's Report/Investment Report/Energy Usage Report. Ms. Wilbanks presented to and reviewed with the Board the Bookkeeper's Report, Investment Report, and Energy Usage Report for the previous month, copies of which are attached hereto collectively as Exhibit "A."

Ms. Wilbanks reported that TexPool interest rate has increased and is paying 5.2977% interest and the net asset value is 1.00019%.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board: 1) approved the Bookkeeper's Report, with certain revisions, Investment Report, and Energy Usage Report; and 2) authorized the payment of checks numbered 13930 through 13952 from the Operating Account.

5. Tax Assessor-Collector Report. Ms. Bessire reviewed the Tax Assessor-Collector Report with the Board, a copy of which is attached hereto as Exhibits "B".

Ms. Bessire reported that 95.6% of the 2023 taxes have been collected as of August 31, 2024.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of check nos. 2523 thru 2527.

6. Delinquent Tax Attorney Report, which was prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached hereto as Exhibit "B-1." The Board reviewed the report. No action was taken at this time.

7. Financial Advisor's Report. This item was tabled.

8. Operation's Report. Mr. Jacobson presented the Operations Report, a copy of which is attached hereto as Exhibit "C."

Mr. Jacobson then reported the total monthly pumpage for the month of August was 8,016,000 gallons and the average daily flow at the sewer plant during the previous month was 120,000 GPD, which is 42% of current capacity. Mr. Jacobson also reported the pumped to billed ratio was 78.55% at the water plant. There were no excursions. Mr. Jacobson then stated that the valve on Booster Pump 1 was repaired and it was under warranty. He also updated the Board on the bank load testing.

Mr. Jacobson next presented the Monthly Light Fixture Review, a copy of which is attached to the Operator's Report.

Mr. Jacobson presented and reviewed the disconnection list of twenty-five (25) accounts.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board, after confirming with the Operator that notice had been delivered by the Operator to each person on the list notifying them that they could appear before the Board to discuss termination of services and that services could be terminated at any time after this meeting, and determining that no one appeared at the meeting for such purpose, the Board: (1) the termination list and authorized the Operator to terminate service as required by the Rate Order to all customers who remain unpaid; and (2) approved the Operations Report.

9. Engineer's Report. The Engineer's Report was presented and reviewed by Mr. Van Dusen, a copy of which is attached as Exhibit "D".

Mr. Van Dusen reviewed the Report with the Board and responded to questions.

Mr. Van Dusen presented and reviewed Payment Application No. 5 from SiteCon Services, Inc. in the amount of \$367,020, a copy of which is attached to the Engineer's Report. Mr. Van Dusen recommends approval of Payment Application No. 5.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved Payment Application No. 5 from SiteCon Services, Inc. in the amount of \$367,020.

Upon motion by Director Galindo, seconded by Director Wright, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

10. Old Business.

a. Repair of service driveway at Water Plant. See Engineer's Report.

b. Conversion of the District – Powers of a MUD. Director Fritsche discussed the enforcement and possible amendment of the current deed restrictions. This item was tabled until the December Board Meeting.

c. Cypresswood Apartments and Houston Housing Authority.

Mr. Petrov reported that the Cypresswood Apartments were sold. Mr. Petrov stated that a Notice of Intention to Violation Deed Restrictions, Utility Commitment Letter Agreement and Annexation, Service and Financing Agreement was sent to the Houston Housing Authority and Civitas Cypresswood Owner I, LLC (“Civitas”), a copy of which is attached hereto as Exhibit “E”. This will be discussed under Executive Session.

d. Update on discussions with Best Trash. Director Fritsche updated the Board regarding discussions with Best Trash and that they seem to be working thru all issues.

e. Dunn and Miller Properties. Mr. Petrov reported that the closing on the Dunn property and requested the Board authorize payment to Mr. Dunn. It should be noted that Spring ISD will reimburse the District for the acquisition costs of the Dunn property in annual installments. This item was further discussed in Executive Session.

f. Audit Committee. No updates at this time.

11. Executive Session. At 7:48 p.m., the President entered into Executive Session, closed to the public, pursuant to Section 551 of the Texas Government Code concerning Section 551.071 - Consultation with Attorney; and Section 551.072 - Deliberation Regarding Real Property. There were no members of the public present at this time. All Board Members present along with Zachary Petrov, Marisa Roberts, Sergio Van Dusen, and Doug Jacobson were present for Executive Session.

No action was taken in Executive Session.

As of 8:22 p.m., the President declared the Executive Session was closed and open session resumed.

9.c. Cypresswood Apartments and Houston Housing Authority (continued).

The Board, by general consensus, authorized Johnson Petrov to send a Notice of Default to the Houston Housing Authority, Civitas and Prosperity Bank, a Notice of Violation of the Utility Commitment, and a Notice to Dreamlab notifying them regarding the change in taxable value.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,**  
the meeting was adjourned at 8:23 p.m.

**PASSED AND APPROVED** on the 15th day of October, 2024.

  
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Secretary  
Board of Directors

**EXHIBITS:**

- A - Bookkeeper's Report, Investment Report, Energy Report
- B - Tax Assessor Collector Report
- C - Operations Report
- D - Engineer's Report
- E - Notice of Intention to Violation Deed Restrictions

**Minutes recorded by Marisa Roberts  
Johnson Petrov LLP  
Regular Session September 17, 2024**

