

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 99

MINUTES OF MEETING OF BOARD OF DIRECTORS

DECEMBER 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, December 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 Directors Ghinelli and Wright, 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 Richardson of the Harris County Constable's Office ("HCCO"); and one resident (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 November 19, 2024, a copy of which was previously distributed to the Board.

Upon motion by Director Galindo, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the minutes the regular meeting of November 19, 2024.

3. Constable's Report. Deputy Richardson reviewed the November Constable's Report with the Board. Deputy Richardson then responded to questions from the Board. No action was taken at this time.
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 4.6700% interest and the net asset value is 1.00008%.

a. ETI Bookkeeping Services Contract. The Board reviewed and discussed the proposed CPI contract increase, a copy of which is attached hereto as Exhibit "A-1".

Upon motion by Director Galindo, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved an amendment to the ETI Bookkeeping Services Contract with a CPI contract increase of not to exceed 4% per year.

Upon motion by Director Galindo, seconded by Director Riddle, 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 14019 through 14044 from the Operating Account, plus a check made out to Johnson Petrov LLP.

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

Ms. Bessire reported that 7.5% of the 2024 taxes and 96.3% of the 2023 taxes have been collected as of November 30, 2024.

Upon motion by Director Riddle, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor-Collector Report, including payment of check nos. 2535 thru 2538.

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

a. Mr. Jacobson then reported the total monthly pumpage for November was 5,485,000 gallons and the average daily flow at the sewer plant during the previous month was 149,000 GPD, which is 52% of current capacity. Mr. Jacobson also reported the pumped to billed ratio was 85.56% at the water plant. There were no excursions.

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, but requested the Board postpone the terminations for the month of December for any non-payment accounts until January 2025 due to the holidays.

Mr. Jacobson stated that Mr. Ainsworth did not contact him regarding the graffiti on the sound wall. This item was postponed until the January Board Meeting.

Upon motion by Director Galindo, seconded by Director Riddle, after full discussion and with all Directors present voting aye, the Board approved the postponement of the terminations for the month of December.

Upon motion by Director Riddle, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board approved the Operations Report.

7. 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.

The Board then discussed the Proposal presented by Storm Water Solutions to serve the Cypresswood Detention Pond pipe erosion repair. The board requested Vogt Engineering obtain additional bids.

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

8. New Business.

a. Amend the District's Rate Order and Rules and Regulations Related to Service Rates for all Customers. This item was postponed.

b. Service to Office Condos Property on Cypresswood. This was discussed under the Engineer's Report.

9. Old Business.

a. Repair of service driveway at Water Plant. This was discussed under the Engineer's Report.

b. Cypresswood Apartments and Houston Housing Authority.

Mr. Petrov stated that this would be discussed later in Executive Session.

c. Conversion of the District to powers of a MUD, including discussion regarding deed restrictions. Discussion ensued. The Board requested that Mr. Petrov provide a checklist/timeline at the next meeting. No action was taken at this time.

d. Audit Committee. No updates at this time.

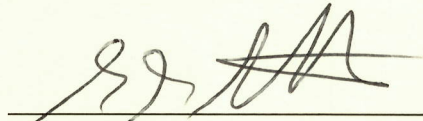
10. Executive Session. As of 7:43 p.m., Director Riddle made a motion that the Board called for an Executive Session, closed to the public, pursuant to Section 551 of the Texas Government Code - Consultation with Attorney. The motion was seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board called for an Executive Session. 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.

As of 8:25 p.m., Director Riddle made a motion that the Board close the Executive Session and resume open session, seconded by Director Galindo, after full discussion and with all Directors present voting aye, the Board closed Executive Session and resumed open session. No action was taken in Executive Session. There were no members of the public present.

The Board appointed committee consisting of Directors Fritsche and Riddle to discuss and negotiate with Civitas Cypresswood Owner I, LLC.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
the meeting was adjourned at 8:26 p.m.

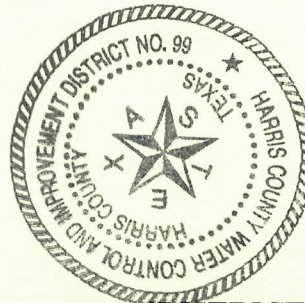
PASSED AND APPROVED on the 28TH day of January, 2025.



Secretary
Board of Directors

EXHIBITS:

- A - Bookkeeper's Report, Investment Report, Energy Report
- B - Tax Assessor Collector Report
- B-1 - ETI Amended Contract
- C - Operations Report
- D - Engineer's Report



[DISTRICT SEAL]

Minutes recorded by Marisa Roberts
Johnson Petrov LLP
Regular

Session

December 17, 2024