

# HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

## Minutes of Meeting of Board of Directors

June 13, 2019

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 157 (the "District") met in regular session, open to the public, on June 13, 2019, at 1300 Post Oak Boulevard, Suite 1400, Houston, Texas 77056, such address being an office and meeting place of the District, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board, as follows:

Keith Nystrom, President  
Cameron Dickey, Vice President  
David Redburn, Secretary  
James Motejzik, Assistant Secretary  
Shane Bueno, Director

and all of said persons were present, except Director Motejzik, thus constituting a quorum.

Also present were Mike Fitzgerald of BGE, Inc. ("BGE"); David Baños of Municipal Accounts & Consulting, L.P. ("Municipal Accounts"); Juan Montano of Inframark, LLC ("Inframark"); Mike Willingham, resident of the District; and Mitchell G. Page and Shelby Yllana of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before it.

### **APPROVAL OF MINUTES**

The Board reviewed the draft minutes of its meeting held on May 9, 2019. After review and discussion, Director Dickey moved that the draft minutes of May 9, 2019, be approved, as written. Director Bueno seconded said motion, which unanimously carried.

### **PUBLIC COMMENTS**

Mr. Willingham advised that he had no comments for the Board.

Director Nystrom provided an overview of the May 30, 2019 Town Hall meeting, and requested that the Board be provided with a copy of the Spencer Outdoor Co. Maintenance Contract for its files. In connection with the solicitation of qualifying bids for landscape maintenance for the Bridgeland development by Bridgeland Council, Inc. ("Council"), Director Bueno advised that he will act as the District's representative during the bidding process as previously discussed. Mr. Fitzgerald advised that BGE is awaiting receipt of a maintenance budget from Council and the Lakeland Village Community Association ("LVCA") for same and will determine the District's pro rata share of the costs for discussion at a future Board meeting.

In response to a question posed at the Town Hall meeting, Director Nystrom requested that an item be added to the next meeting agenda to review the Engineering Services Contract with BGE.

The Board then discussed the Town Hall meeting schedule for 2019, noting that the next meeting will be held at the end of September.

### **DISTRICT WEBSITE**

The Board considered the administration of the District's website. Mr. Page reviewed with the Board an inquiry from OffCinco regarding monthly informational updates to forward to District residents via e-mail, and a monthly analytics report prepared by OffCinco, a copy of which is attached hereto as **Exhibit A**. The Board considered additional information to be added to the District's website. Director Dickey noted that he would like the website to include a statement regarding the West Harris County Regional Water Authority ("WHCRWA") credits and the savings being achieved through the District's irrigation system for posting on the District's website.

The Board then requested that a representative from OffCinco attend next month's Board meeting to provide an annual update on the status of website administration.

### **TAX ASSESSOR-COLLECTOR REPORT**

Mr. Page presented and reviewed the Tax Assessor Collector Monthly Report, dated as of May 31, 2019, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for approval and a Delinquent Collections Listing as of May 31, 2019, prepared by Wheeler & Associates, Inc. After discussion, Director Dickey moved that the Tax Assessor Collector Monthly Report be approved and the disbursements shown therein be authorized for payment. Director Redburn seconded said motion, which carried unanimously.

### **DELINQUENT TAX COLLECTIONS REPORT**

The Board considered the Delinquent Tax Collections Report received from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District, a copy of which is attached hereto as **Exhibit C**. The Board noted that no action was necessary regarding the report.

### **BOOKKEEPER'S REPORT**

Mr. Baños presented and reviewed with the Board the Bookkeeper's Report dated June 13, 2019, a copy of which is attached hereto as **Exhibit D**, including the disbursements and wire transfers presented for approval. Director Nystrom inquired about the exercising of the District's wells and related WHCRWA fees for same, to which Mr. Page replied. The Board then requested that the developer provide supporting documentation for the Phase Three land costs being withheld from the Series 2014 Bond issue by the next Board meeting, otherwise such unexpended proceeds be transferred to the District's construction account as surplus funds. Director Nystrom then requested that SPH and BGE determine when the WHCRWA credits will be discontinued and how such credits can be applied for payment of certain recreational costs. Mr. Page advised that he and BGE will investigate same and report back to the Board at a future meeting. After discussion, Director Redburn moved that the Bookkeeper's Report be approved as presented, and the disbursements and wire transfers listed therein be approved for payment, except check no. 3004, which was voided. Director Bueno seconded the motion, which carried unanimously.

## **UNCLAIMED PROPERTY**

Mr. Baños presented the Unclaimed Property Report to the Board and noted that there was nothing to report or escheat to the State Comptroller of Texas.

## **OPERATIONS AND MAINTENANCE**

Mr. Montano then presented the Operator's Report for the month of May 2019, a copy of which report is attached hereto as **Exhibit E**, and reviewed the charges, related repairs, and make up well pumpage listed therein.

Mr. Montano next presented a proposal for the installation by Inframark of a wireless monitoring device at the District's pump station, a copy of which is included with **Exhibit E**. He discussed the benefits of having this system and the warranty period for the equipment and installation. Director Nystrom requested that Inframark further itemize the proposal and provide same for review at the July Board meeting. The Board concurred to defer action on this proposal until July.

Mr. Montano then addressed the Board regarding the District's cellular account with Verizon. He noted that Inframark currently handles the processing of the account, however, to save the District money, he is proposing to allow Municipal Accounts to handle same. After discussion, Director Redburn moved that Municipal Accounts be authorized to handle the Verizon account, and documentation to effect such transfer be approved, as presented by Mr. Montano. Director Dickey seconded said motion, which unanimously carried.

## **ENGINEER'S REPORT**

Mr. Fitzgerald presented the Engineer's Report, dated June 13, 2019, a copy of which is attached hereto as **Exhibit F**, and reviewed the status of projects listed therein, including the pay estimate and easements presented for Board action. In connection with Josey Lake Park, Mr. Fitzgerald presented to and discussed with the Board correspondence from Clark Condon Associates regarding the purpose of Change Order No. 19, as previously requested by the Board, a copy of which is included with **Exhibit F**. Mr. Page noted that the Recreational Facilities Easements identified in the Engineer's Report are still under review by SPH. After discussion, Director Bueno moved that the action items listed in the Engineer's Report be approved, as recommended by BGE, except action on the Recreational Facilities Easements. Director Dickey seconded said motion, which unanimously carried.

## **BOND APPLICATION REPORT**

Mr. Page advised that the bond application report for the issuance of bonds in an amount not to exceed \$4,000,000 will be prepared by BGE in the coming weeks.

## **SITE MAINTENANCE**

The Board then further considered the preparation of a landscaping bid package by Council on behalf of Council, LVCA, and the District. Mr. Fitzgerald presented to the Board a map illustrating the location of facilities owned by the Council and LVCA which are located

within a Recreational Facilities Easement granted to the District. He additionally presented a breakdown of the Maintenance Contract with Spencer Outdoor Co. showing how maintenance costs are allocated to the District under said Contract, as well as a spreadsheet showing the maintenance expenditures made by Council on behalf of the District, copies of which are collectively attached hereto as **Exhibit G**.

The Board then considered the annual maintenance contribution request to Council. Mr. Fitzgerald noted that BGE has requested documentation from Council to support the items included in the request and will provide same, along with maps of the District illustrating the mowing locations for Council, LVCA, and the District, at least fifteen (15) days in advance of the next Board meeting.

#### **DETENTION/AMENITY POND MANAGEMENT**

The Board considered the status of amenity pond management and wildlife management. Mr. Page advised that Council has requested that the District approve of a proposal for invasive lotus control in Upper Josey Lake. After due discussion, the Board determined to defer action on the request at this time, as the District does not currently own the lake property or facilities, and address the matter when the District takes ownership of same.

#### **DELTA WEST ENVIRONMENTAL REPORT**

The Board deferred consideration of the storm water quality report after noting that no representative of Delta West Environmental was present at the meeting.

#### **DEVELOPER'S REPORT**

The Board considered the Developer's Report. Mr. Page presented to the Board a summary of sales for the District for May 2019 and year-to-date, a copy of which is attached hereto as **Exhibit H**.

#### **ATTORNEY REPORT**

The Board considered the attorney's report. Mr. Page advised that he had nothing of a legal nature to report that had not already been discussed.

#### **PROPOSED ANNEXATION OF CERTAIN LAND INTO AND EXCLUSION OF LAND FROM THE DISTRICT**

Mr. Page reported on the proposed annexation of land into and exclusion of land from the District boundaries and the bisecting of two homeowner lots by the proposed boundary line of the District and Harris County Water Control and Improvement District No. 159. He advised that SPH is awaiting the receipt of the second homeowner's paperwork to effect the transfer, and confirmation of payment of the 2018 property taxes for the second homeowner's lot. The Board deferred action on this item at this time.

## **VOTING SYSTEM ANNUAL FILING FORM**

Mr. Page advised the Board that, pursuant to Section 123.061 of the Texas Election Code, the District is required to complete and file a Voting System Annual Filing Form with the Secretary of State to provide information related to District elections. After discussion, Director Bueno moved that SPH be authorized to complete the Voting System Annual Filing Form and to file same with the Secretary of State's office. Director Redburn seconded the motion, which carried unanimously.

## **RECORDS DESTRUCTION REQUEST**


Mr. Page reported that the District's General Records Retention Schedule adopted in connection with its Records Management Program requires that notes taken during meetings and which are used to prepare the official minutes of Board meetings must be retained for ninety days after approval of such minutes by the Board. He next presented a request from the Records Management Officer for approval to destroy all such notes from January 11, 2018 to January 10, 2019, as allowed by the Schedule. After discussion, Director Dickey moved that SPH be authorized to destroy said notes, as discussed. Director Bueno seconded said motion, which carried unanimously.

## **FUTURE AGENDA ITEMS**

The Board discussed items for future Board meeting agendas and noted that had no additional items to add.

## **ADJOURNMENT**

There being no further business to come before the Board, on motion made by Director Redburn, seconded by Director Bueno and unanimously carried, the meeting was adjourned.

  
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David Redburn, Secretary

### LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Website analytics; monthly updates
- Exhibit B – Tax Assessor-Collector Report
- Exhibit C – Delinquent Tax Attorney Report
- Exhibit D – Bookkeeper's Report
- Exhibit E – Operator's Report; monitoring device proposal
- Exhibit F – Engineer's Report; Change Order 19 Letter
- Exhibit G – Maintenance map; maintenance expenditures
- Exhibit H – Inventory Report