

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 119
Minutes of Board of Directors Meeting
July 13, 2015

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 119 met at 9711 Landry Boulevard, Spring, Harris County, Texas, on July 13, 2015 in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Andrew R. Phelps, President
John Soileau, Vice President
William Manning, Secretary
Robert Williams, Asst. Secretary/Treasurer
Salvador Andrade, Director

and all of said members were present, except Director Soileau, thus constituting a quorum.

Also present were Anthony Lasky of Municipal Accounts & Consulting, L.P. ("MA&C"); Lauren Davis of Wheeler & Associates, Inc. ("W&A"); Troy Bordelon of A&S Engineers, Inc. ("A&S"); Dwayne Rowe of Water District Management Co. ("WDM"); Randy Jones of Spring Cypress 54.25 Investment, LLC; and David Marks of Marks Richardson PC ("MRPC").

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

The Board deferred consideration of comments from members of the public, as no one signed up to speak.

The Board next reviewed and considered the approval of the minutes of the meeting held on June 8, 2015. After review and discussion, Director Manning made a motion to approve the minutes of the meeting held on June 8, 2015, as written. Director Williams seconded the motion, which carried unanimously.

The Board next considered the attached report on the status of collection of taxes, the status of collection of delinquent tax accounts, and the payment of invoices in connection therewith for the month of June. Ms. Davis reported that 98.99% of the District's 2014 taxes had been collected through June 30, 2015. After review and discussion of the reports, Director Williams made a motion to approve the reports and authorize payment on the Tax Account, being check nos. 3211 through 3222, inclusive, as identified in the tax assessor collector's report. Director Manning seconded the motion, which carried unanimously.

The Board next reviewed the delinquent collections list and there was a discussion regarding the status of District delinquent tax accounts. Ms. Davis presented for the Board's review and information the attached Delinquent Collections Listing as of June 30, 2015.

Ms. Davis next presented for the Board's review and information the attached written report dated July 7, 2015, which had been prepared by the District's delinquent tax attorney, Ted A. Cox, P.C.

The Board next considered the attached report on the District's water, sanitary sewer and storm sewer systems for the month of June. Mr. Dwayne Rowe reported that the water accountability percentage for the month is 95.57%. He next reported that the District's facilities operated in compliance with their respective permits during the month.

Mr. Rowe next presented correspondence from Ms. Kara Kibodeaux regarding her account. Mr. Rowe stated that Ms. Kibodeaux was disconnected for a delinquent bill and noted that Ms. Kibodeaux's correspondence states that she paid on-line on the disconnect day. Mr. Rowe further noted that WDM issued a reconnect at 9:58 am and placed the account in abeyance. Mr. Rowe stated that Ms. Kibodeaux has requested that the Board waive the \$50.00 disconnect fee but noted that the disconnection of the account was in accordance with the District's Rate Order. After discussion, Director Manning made a motion to deny the request to waive the \$50.00 disconnect fee. Director Andrade seconded the motion, which carried unanimously.

Mr. Rowe next reported that the repair of an air line leak underground near the outside slab of the Blower Room at the Wastewater Treatment Plant is complete.

Mr. Rowe next reported that the Lift Pump No. 2 at the Lift Station failed during the month. He noted that the approximate cost to replace the pump with a dry-pit submersible lift pump is \$28,290.00, and recommended that the Board authorize WDM to perform the replacement. After discussion, Director Manning made a motion to authorize WDM to replace the Lift Pump No. 2 with a dry-pit submersible lift pump, as outlined above. Director Manning seconded the motion, which carried unanimously.

Mr. Rowe next requested that the Board consider authorizing WDM to turn over two (2) delinquent accounts to Collections Unlimited of Texas ("CUT") for collection, in the total amount of \$100.51, and to write-off three (3) delinquent accounts in the total amount of \$54.33, as outlined in the attached Collections List and Charged Off List. After discussion, Director Williams made a motion to authorize WDM to turn over the two (2) subject accounts to CUT for collection and to write-off the three (3) subject accounts, as set out above. Director Manning seconded the motion, which carried unanimously.

The Board next deferred approval of Amendment to Agreement with Water District Management Co., Inc. until next month's Board meeting.

The Board next deferred approval of amendment to the District's Rate Order until the next Board meeting.

The Board next considered discussion on the future of Water Plant No. 1, including review of cost comparisons relative to decommissioning or rehabilitation of the plant. No one present had anything new to report.

The Board next considered the status of the North Harris County Regional Water Authority (“NHCRWA”). Mr. Bordelon stated that he had nothing new to report.

The Board next considered authorizing the design, advertisement for bids and/or award of construction contracts. Mr. Bordelon presented the attached report relative to same.

The Board next considered the status of contract with Paskey Incorporated (“Paskey”) for construction of detention pond to serve Stonebrook Estates. Mr. Bordelon stated he had nothing new to report to the Board.

The Board next considered the status of contract with Paskey for water, sanitary sewer and drainage facilities to serve Stonebrook Estates, Section 1. Mr. Bordelon stated he had nothing new to report to the Board.

Mr. Bordelon next reported that A&S provided comments on the Montessori School plans.

The Board next deferred the acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District.

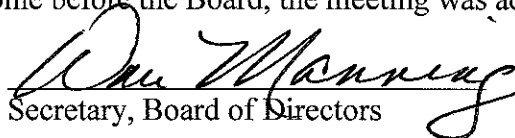
The Board next considered a report regarding the status of the development of property within the District. Mr. Jones stated that the Stonebrook Estates, Section 2 plat has been submitted for review and approval and noted that Section 2 will have 57 lots. He noted that the water, sanitary sewer, and drainage facilities project is ready for design.

The Board next considered the issuance of utility commitments. Mr. Bordelon stated that he had none to report at this time.

Mr. Lasky next distributed to the Board the attached bookkeeping report, investment report, pledged securities report, bills presented for payment and profit and loss statement for the District's fiscal year, prepared by MA&C, the District's bookkeeper. After review and discussion of the reports, Director Manning made a motion to approve the reports and authorize payment on the Operating Account being check nos. 17436 through 17488, inclusive, as identified in the report. Director Andrade seconded the motion, which carried unanimously.

The Board next considered matters for possible placement on future agendas.

There being no further business to come before the Board, the meeting was adjourned.


Secretary, Board of Directors

ATTACHMENTS
July 13, 2015

1. Tax Assessor/Collector Reports
2. Delinquent Tax Report
3. Operator's Report and related correspondence
4. Engineer's Report
5. Bookkeeper's Report