

## CYPRESS CREEK UTILITY DISTRICT

Minutes of Special Meeting of Board of Directors  
October 4, 2016

The Board of Directors ("Board") of Cypress Creek Utility District ("District") met at its regular meeting place within the District at the Mills Walk Clubhouse, 10643 Mills Walk Drive, Houston, Texas on October 4, 2016, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Glenn Land, President  
Robert Jackson, Vice President  
Harvey W. Roensch, Secretary  
Rob Nixon, Director

and the following absent:

Chris Stanley, Director.

Also present were Mr. Dewayne High, the District's operator; Mr. Jeff Pena, engineer for the District; Ms. Claudia Redden, the District's bookkeeper; and Mr. W. James Murdaugh, Jr., attorney for the District.

1. President Land called the meeting to order and stated that the purpose of the meeting was to review the budget for the fiscal year ending September 30, 2017 in light of a significant projected deficit. Before the budget review began, however, Mr. High responded to previous questions concerning a possible leak in the District's water lines. He stated that the problem had not been caused by work performed by Magna Flow, but rather that it was simply a leak in the District's own system. He reviewed issues concerning the condition of valves in the District's water system, and the Board discussed a possible program to routinely assess and address valve issues. Mr. High agreed to provide some cost estimates for proposals at a future meeting.

2. The Board next considered the budget for fiscal year 2017 in great detail. The consultants present provided information and assistance, and various costs were reduced, and the Board also agreed to increase revenue by raising the originally proposed 2016 maintenance tax from 8.5 cents per \$100 assessed valuation by an additional 2.5 cents, for a total

of \$0.11 per \$100 assessed valuation for the maintenance tax. The attorney agreed to contact the tax assessor-collector and ensure the correct publication of notice so that the District would be in a position to set its tax rate at the regular October meeting.

3. The Board also reviewed the District's Rate Order to ascertain possible revenue increases. After a full review and discussion, the Board agreed to increase the minimum sewer charge at the regular October meeting and also to confirm that the District was correctly billing charges related to the North Harris County Regional Water Authority and the annual assessment by the Texas Commission on Environmental Quality.

4. Finally, President Land and other Board members discussed a new consultant for the District's website. President Land was in conversation with the website provider for the North Harris County Regional Water Authority and also agreed to obtain additional information relating to the website of the Association of Water Board Directors. In that regard, the attorney distributed information concerning the AWBD's semi-annual conference scheduled for January, 2017 in Austin, Texas.

5. The Board agreed that at its regular October meeting it would pass a Resolution adopting an amended budget, would set the revised maintenance tax rate, and would amend the District's Rate Order appropriately.

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

  
Secretary