

## CYPRESS CREEK UTILITY DISTRICT

Minutes of Meeting of Board of Directors  
May 24, 2017

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 May 24, 2017, 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  
Terry Dildy, Director

and the following absent:

None.

Also present were Ms. Christine High and Mr. Dewayne High, District operators; Ms. Robin Goin, tax assessor-collector for the District; Ms. Sarah Redden, the District's bookkeeper; Mr. Jeff Pena, engineer for the District; and Mr. W. James Murdaugh, Jr., attorney for the District.

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

1. The Board reviewed the minutes of the meeting held on April 26, 2017. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Redden presented the bookkeeper's report, a copy of which is attached. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon. The Board also unanimously approved the investment report.

3. Ms. Goin presented the tax assessor-collector's report, copy attached, which showed 96.431% collections for 2016 taxes and certified taxable value of \$186,456,601.

Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

4. Mr. Pena presented the engineer's report, a copy of which is attached. He discussed the status of tree removal and progress being made with the help of Harris County Flood Control District and CenterPoint. He also discussed with the Board and operator concern as to the method of demolition of certain flooded houses in the District, specifically with respect to exposed sanitary sewer and water lines. The engineer agreed to coordinate with the operator in that regard, and Director Jackson noted that the houses were apparently being leveled by a company named Cherry Demolition. The air header rehabilitation project at the regional sewage treatment plant had been completed, and the engineer then reviewed the status of the proposed soccer fields in the District. He discussed recent communication in that regard and his pending request to the developer for a site plan and tie-in location. The engineer and operator agreed not to proceed until they received all information from the developer that they deemed necessary.

5. Mr. Pena then reviewed various ongoing projects including the design of the Mills Walk lift station rehabilitation, water line work at Balcrest Drive and Jones Road, and the sanitary sewer rehabilitation for Norchester, Section Three. He also advised as to the status of surface water conversion, with the current estimated date of delivery to the water plant of January, 2019. The engineer is working with the North Harris County Regional Water Authority and the operator to coordinate certain design issues.

6. The engineer then reviewed the proposed schedule for the District's bonds to be sold to the Texas Water Development Board and his expectation that funds would be available in early 2018. He agreed to keep the Board apprised of developments in that regard.

7. Mr. High presented the operations report, copy attached, which showed 991 connections with 92% accountability. Five bacteriological samples had been taken, all with good results. The operator then submitted a list of delinquent accounts to the Board for termination of utility service and stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. The operator noted that the accounts listed have neither attended the Board meeting nor contacted the operator's office or the

District to contest or explain the charges. After discussion, upon motion duly made, seconded and unanimously carried, the Board authorized the District's operator to proceed with termination of utility service to said accounts pursuant to the provisions of the District's Rate Order.

8. The Board next reviewed the annual Consumer Confidence Report prepared by the operator, and after a discussion it was unanimously approved, and the Board also authorized its distribution to District customers by means of an electronic link to be included on all District bills.

9. The operator and Board then discussed the need to arrange a facilities tour for directors, and tentatively agreed for the tour to occur on June 1, 2017 at 4:30 p.m. The Board noted apparent problems from two District residents concerning questionable meter readings, which the operator agreed to address. Ms. High also confirmed that she was coordinating with the bookkeeper to ensure that correct balances and other necessary information were made available to the bookkeeper in a timely manner.

10. Director Roensch stated he had no new information to present with respect to the Lake Forest regional sewage treatment plant, and the Board reiterated its previous position that the existing regional contract should be extended one year by letter agreement so that a new contract could be prepared. President Land reviewed a recent meeting of the North Harris County Regional Water Authority and the status of various projects by the North Authority.

11. Finally, the attorney noted that Director Roensch had completed his annual investment officer disclosure. He also distributed to the directors documents for the annual director conflict of interest disclosure which were completed by all directors, with no disclosures noted.

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

  
Secretary