

CYPRESS CREEK UTILITY DISTRICT

Minutes of Meeting of Board of Directors
June 27, 2018

The Board of Directors ("Board") of Cypress Creek Utility District ("District") met at a designated meeting place inside the District at Mills Walk Clubhouse, 10643 Mills Walk Drive, Houston, Texas on June 27, 2018, 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
Theresa Dildy, Director
Rob Nixon, Director

And the following absent:

None.

Also present were Mr. Jeff Pena, District engineer; Ms. Robin Goin, tax assessor-collector for District; Ms. Sarah Redden, representing the bookkeeper for the District; Ms. Christine High and Mr. Dewayne High, District operators; and Mr. Richard Morrison, attorney for the District.

President Land called the regular meeting of the Board of Directors of Cypress Creek Utility District to order.

1. There were no comments from District residents.
2. The Board reviewed the minutes of the meeting held on May 23, 2018, and, upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.
3. Ms. Redden presented the bookkeeper's report, a copy of which is attached. Ms. Redden stated that the next bond payment was due September 1. Subject to that discussion, upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and authorized payment of the checks listed thereon.
4. The Board reviewed the ethics letter and memorandum for Mr. Roensch, the Investment Officer. It was found by the Board that Mr. Roensch had no conflicts. Upon motion duly made, seconded and unanimously carried, the Board approved the ethics letter and memorandum.

5. Ms. Goin presented the tax assessor-collector's report, copy attached, which showed 97.1% collections for 2017 taxes and current certified taxable value in the District of \$193,648,053. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

6. Mr. Pena presented the engineer's report, a copy of which is attached. The status of the Old Matzke Elementary project was discussed and it was stated that Sander Engineering Corp. has completed its review of the project's engineering submittal. Nine (9) bids for the Mills Walk Lift Station were received. The Board reviewed the bids and discussed same. It was agreed that the low bid would not be awarded until the low bidder could justify its low bid on bid items 8 and 11. Upon motion duly made and seconded the Board moved to accept the engineers report, subject to the tabling of the award of the bid to Arriba Construction, per its justification of the low bid.

7. Mr. Dwayne High presented the operations report, copy attached, which showed 843 residential connections with 92% water accountability. It was noted that amounted to nearly 1,000,000 gallons of lost and or unaccounted for water. The operator stated he would walk the bayou and look for leaks and report back to the Board. It was also noted that the TCEQ was reevaluating all Superior Water Systems and that the District's water system would be evaluated in the coming months. The Board requested a price for the Old Matzke tap request for out of district service. The Board elected not to move forward at this time for the repair of booster pump 1 until cost of repair is confirmed. The Board approved the removal of the water plant scrap pipe. Finally, the operator 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 and approved the removal of the water plant scrap pipe.

8. The attorney for the District explained to the Board that the application for critical load test had been filed.

9. The Lake Forest contract was postponed because of uncertainty in percent allocations.

10. President Land discussed a recent meeting with the North Harris County Regional Water Authority and noted that the Luce Bayou project was proceeding according to schedule.

11. Finally, the Board discussed the review of the consultant contracts. The Board preferred to review each consulting contract one at a time. The Board requested the SML&B contract to be updated since it is 40 years old.

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


Secretary