

CYPRESS CREEK UTILITY DISTRICT

Minutes of Meeting of Board of Directors
August 8, 2019

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 August 8, 2019, 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. Claudia Redden, bookkeeper for the District; Ms. Christine High, Mr. Dwayne and Mr. Wesley High, District operators; and Mr. W. James Murdaugh, Jr., 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 meetings held on July 11 and 30, 2019, and upon motion duly made, seconded, and unanimously carried, the minutes were approved as presented.
3. Ms. Goin presented the tax assessor-collector's report, copy attached, which showed 97.588% collections for 2018 taxes with current taxable value in the District of \$174,553,457. 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, copy attached. He discussed the status of work at the Lake Forest regional sewage treatment plant, and stated that the engineers would perform a one-year warranty review of the Mills Walk lift station rehabilitation project in February, 2020. He discussed the status of projects financed by bonds sold to the Texas Water Development Board. The sanitary sewer rehabilitation project is

currently being advertised with bids to be opened on August 29, 2019. Design is approximately 85% complete for the water line replacement project. On the engineer's recommendation the Board approved award of two contracts to Geotech Engineering and Testing for work being performed in both the design and construction phases of the water line replacement project. The amounts of the contracts are \$33,961.00 for the replacement project and \$15,933.00 for the inspection and testing project. There was no new information to present with respect to the North Harris County Regional Water Authority surface water project nor with respect to the pending polyphosphate project at water plant No. 1. Director Jackson inquired as to a charge for inspection of District service to houses being demolished on authority of the Harris County Flood Control District. The Board requested that at the next meeting a change to the District's rate order be considered for demolition inspection.

5. Ms. Redden presented the bookkeeper's report, copy attached. The Board approved the investment report and noted the energy consumption report as well as the report of income from the District's Strategic Partnership Agreement with the City of Houston. The Board requested that the bookkeeper modify the chart on energy consumption to clearly show savings being derived by the current electricity contract; the Board also requested that the bookkeeper provide checks and reports on the Tuesday prior to the Thursday meeting each month. 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. The Board discussed the required review of the District's investments in compliance with Senate Bill 253. The Board requested that the District's bookkeeper and investment officer review the list promulgated by the State Comptroller and monitor it periodically to prevent violations of Senate Bill 253.

6. Mr. Dwayne High presented the operations report, copy attached, which showed 996 total connections (846 residential connections with 101% water accountability). Five bacteriological tests had been performed, all with good results. The Board also noted with pleasure correspondence from a District resident commending the operator's office for a job well done by their employees. 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.

7. There was no new information to report concerning the Lake Forest Regional sewage treatment plant; President Land then reviewed the recent meeting of the North Harris County Regional Water Authority. All North Authority projects were significantly behind schedule, he noted a problem concerning the Authority's annual audit and investment reports.

8. The Board next discussed its annual review of the District's rate order, copies of which had previously been received by the directors. The attorney and operator were coordinating in that regard and agreed to discuss any proposed changes at the next meeting. The attorney also confirmed his office had completed its annual review of out-of-District contracts, and no changes were necessary. Similarly, the Board had completed its annual review of the District's Code of Ethics and unanimously agreed that no changes were necessary to it.

9. The Board reviewed its recent special meeting with the District's financial advisor, and unanimously approved a new contract for financial advisory services. The contract was authorized to be executed by President Land, who confirmed that all consultant reviews for 2019 were now complete. The Board also agreed that the District's contract for garbage collection appeared to be performing significantly better, and that fewer complaints had been received of late.

10. The attorney distributed a memorandum concerning new requirements for districts which maintain websites, and the Board discussed its contract with Off Cinco specifically with regard to actions taken at the July meeting requesting additional services. The Board requested Ms. High to work with Director Nixon and Off Cinco to provide all available email addresses and telephone numbers for District customers. Director Nixon and Director Dildy agreed to coordinate on standard texts/email messages to be utilized in the event of future events/emergencies.

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


Secretary