

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

November 29, 2017

The Board of Directors (the "Board") of Harris County Improvement District No. 18 (the "District") met in regular session, open to the public, on the 29th day of November, 2017, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Robert T. Deden	President
Dwayne L. Mason	Vice President
Dana Benoit	Assistant Vice President
Sue Darcy	Secretary
Richard L. Rose	Assistant Secretary

and all of the above were present except Director Benoit, thus constituting a quorum.

Also present at the meeting were Stephen Eustis of Robert W. Baird & Co. Incorporated; Joe Agrella, District residents; David Patterson of Assessments of the Southwest, Inc. ("ASW"); J.C. Reno of TNG Utility Corp. ("TNG"); Mark Burton of Municipal Accounts and Consulting, L.P.; Chris O'Shea of Halff Associates, Inc. ("Halff"); Nick Cooke of Mike Stone Associates, Inc. ("MSA"); Warren Wilson, Clayton Benedict and Bill Walker of Springwoods Realty, Inc. ("SRI"); Martin Murdock with Jones & Carter, Inc. (J&C); Chris Barker, Nick Lammayot and Eldon Andrus of ExxonMobil Corporation ("ExxonMobil"); and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REPORT ON SECURITY

The Board received a patrol report for October 2017, a copy of which is attached.

PUBLIC COMMENT

Mr. Agrella requested the Board defer adopting the budget for the fiscal year ending December 31, 2018 and reduce the capital outlay funded from the operating account. He also requested direction in transitioning maintenance in Audubon Grove from Taylor Morrison to the homeowner's association.

CONSENT AGENDA

Director Deden offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Mason moved to approve all

items on the consent agenda. Director Darcy seconded the motion, which passed unanimously. Copies of all documents approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There was no discussion for this agenda item.

TAX ASSESSMENT AND COLLECTIONS MATTERS, INCLUDING COLLECTION OF DELINQUENT TAXES

Mr. Patterson reviewed the tax assessor/collector's report. He reported on collection of the 2017 taxes, certified values to date for 2017, certified values to date for 2017, delinquent taxes, hotel occupancy taxes received to date and appraisal. After review and discussion, Director Rose moved to (1) approve the tax assessor/collector's report; and (2) pay the bills presented for payment from the tax account. Director Darcy seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Burton presented the bookkeeper's report and reviewed the bills presented for payment from the District's accounts, proceeds and construction deposits.

Following discussion and review, Director Darcy made a motion to (1) approve the bookkeeper's report; and (2) approve payment of the bills presented. The motion was seconded by Director Rose and passed unanimously. A copy of the bookkeeper's report and list of checks written is attached.

Mr. Burton next reviewed a budget for the fiscal year ending December 31, 2018. Discussion ensued regarding revisions made since the District's budget workshop meeting and District facilities still within warranty period.

Following discussion and review, Director Mason made a motion to adopt a budget for the fiscal year ending December 31, 2018. The motion was seconded by Director Darcy and passed unanimously.

OPERATION OF DISTRICT BILLINGS, REPAIRS AND MAINTENANCE

Mr. Reno reviewed TNG's monthly operations and maintenance report, a copy of which is attached, including an update regarding water accountability, consumption totals, billing and collections, water production, compliance schedules, facility repairs in progress and permitting, storm preparation and reviewed a summary of operating charges for the month.

Following review and discussion, Director Rose moved to approve the operator's report. Director Darcy seconded the motion, which passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

No accounts were presented for termination.

DISTRICT FUNDED TASK ORDERS, ADDITIONAL SERVICE AUTHORIZATIONS, PROPOSALS

The Board considered the following agreements and Ms. Miller confirmed that disclosure compliance pursuant to House Bill 1295 was received for:

1. Amended and Restated Master Services Agreement with Environmental Design Services;
2. C. L. Davis Task Order No. 008-17-017; additional field land surveying services for 2017;
3. Jones & Carter Task Order No. 021-17-035; additional construction management and inspection services for pedestrian trails;
4. Jones & Carter Task Order No. 021-17-036; additional construction management services for East Mossy Oaks Road - Phase IV;
5. Jones & Carter Task Order No. 021-17-037; additional construction management services for CityPlace Roadways - Phase I;
6. Office of James Burnett Task Order No. 043-17-012; design services for CityPlace Park - Pond 6 Bridge;
7. Office of James Burnett Task Order No. 043-17-013; design services for CityPlace Roadways - Phase III;
8. Halff Associates Task Order No. 064-17-014; additional design services for Spring Stuebner Drainage & Detention Facility - Phase II;
9. Halff Associates Task Order No. 064-17-015; additional design services for CityPlace Landscape Improvements - Phase II;
10. Halff Associates Task Order No. 064-17-016; design services for CityPlace Roadways - Phase III; and
11. L.N. McKean Task Order No. 022-17-013; Drainage Corridor 3 repairs.

Following review and discussion, Director Darcy moved to approve the above task orders. The motion was seconded by Director Rose and passed unanimously.

DEVELOPER'S REPORT

No report was given.

ENGINEERING MATTERS

Mr. O'Shea reviewed a report regarding engineering projects in the District. A copy of the engineering report is attached.

Mr. O'Shea first reported the status of design of the following construction projects and requested authorization to advertise for bids for construction for:

1. CityPlace Park - Lower Plaza.

Mr. O'Shea reviewed bids for Utility Modifications along Lake Plaza Drive and, based upon the recommendation of J&C, recommended the Board award the contract to MP Technologies, Inc., in the amount of \$25,000.

Mr. O'Shea reported the status of the following construction projects and recommended approval of associated pay estimates, change orders and quantity contract adjustments, as listed below, and confirmed that disclosures pursuant to House Bill 1295 were received for change orders listed below:

1. CityPlace Roadways - Phase I (Jones & Carter/James Construction Group);
 - a. Pay Estimate No. 5;
 - b. Quantity Contract Adjustment No. 4 (Match Field Quantities);
2. CityPlace Roadways - Phase I (Jones & Carter/James Construction Group);
 - a. Pay Estimate No. 7;
3. East Mossy Oaks Road - Phase IV (Jones & Carter/Triple B);
 - a. Pay Estimate No. 6;
4. Springwoods Village Parkway Median Enhancements - Phase II (Jones & Carter/Earth First Landscape);
 - a. Pay Estimate No. 4;
 - b. Change Order No. 1 (subgrade Excavation; Curb & Storm Modifications);
5. Spring Grove Park Enhancements (Jones & Carter/ECB Development);
 - a. Pay Estimate No. 4;
 - b. Change Order No. 2 (Fence, Water Valve, Gates & Irrigation Modifications);
6. CityPlace Park Enhancement (Jones & Carter/MoBill Contractors);
 - a. Pay Estimate No. 3;
7. Nature Preserve Playground (Jones & Carter/Brightview Landscape);

- a. Pay Estimate No. 4;
- 8. Pedestrian Trails along East Mossy Oaks Road - Phase I (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate No. 2 & Final;
- 9. Pedestrian Trails along East Mossy Oaks Road - Phase II (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate No. 2 & Final;
- 10. Pedestrian Trails along East Mossy Oaks Road - Phase III (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate 3 & Final;
 - b. Change Order No. 1 (Sidewalk Modifications and Grate Crossing);
 - c. Quantity Contract Adjustment No. 1 (Concrete Trail);
- 11. Pedestrian Trails along East Mossy Oaks Road - Phase IV (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate No. 3 & Final.

The Board determined that the change orders presented above are beneficial to the District.

Following discussion and review, and based upon recommendation from the District engineer and J&C, Director Darcy moved to (1) approve the engineering report from Half; (2) authorize the District engineer to advertise the projects discussed above; (3) award a contract for Utility Modifications along Lake Plaza Drive, upon the recommendation of J&C, to MP Technologies, Inc., in the amount of \$25,000; (4) approve pay estimates and quantity adjustments listed above; and (5) approve the Change Orders listed and as discussed above, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation. Director Mason seconded the motion which passed unanimously.

MANAGEMENT REPORT

Mr. Cooke reviewed a management report from MSA, and updated the Board regarding insurance claims and application for reimbursement filed with the Federal Emergency Management Agency ("FEMA"), signalization synchronization issues reported to Harris County, irrigation repairs and associated backcharges, public inquiries through the District website and District website traffic.

Following review and discussion, upon a motion by Director Darcy and a second by Director Mason, the Board voted unanimously to approve the management report.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

At 12:25 p.m. the Board, convened in Executive Session, along with representatives from ABHR, to conduct a private consultation with the District's attorney.

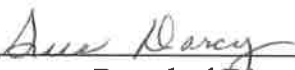
At 12:28 p.m. the Board, Director Rose left the meeting before and was not present during the remainder of the Executive Session. The remaining Board members continued in executive session along with representatives from ABHR, to conduct a private consultation with the District's attorney to discuss the status of the Hassell Construction matter.

RECONVENE IN OPEN SESSION

At 12:30 p.m. the Board reconvened in open session. Following discussion in executive session, Director Darcy moved to (1) authorize ABHR to respond to an open records request, as discussed; and (2) approve a Tolling Agreement. The motion was seconded by Director Mason and passed unanimously.

There being no further business to come before them, the Board concurred to adjourn the meeting.




Secretary, Board of Directors

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