

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

April 25, 2018

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 25th day of April, 2018, 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 Captain Ronnie Glaze of Harris County Constable, Precinct 1; Mark McGrath of McGrath & Co., PLLC; Jan Bartholomew of Robert W. Baird & Co. Incorporated; Joe Agrella, Loretta Malander and Mark Malander, District residents; Esther Kumaga of Assessments of the Southwest, Inc. ("ASW"); J.C. Reno and Phillip Dautrich of TNG Utility Corp. ("TNG"); Martin Murdock of Jones & Carter, Inc.; Mark Burton of Municipal Accounts and Consulting, L.P.; Daniel Lozano of Halff Associates, Inc. ("Halff"); Nick Cooke and Jacob Bilbo of Mike Stone Associates, Inc. ("MSA"); Warren Wilson, Clayton Benedict and Bill Walker of Springwoods Realty, Inc. ("SRI"); 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

Captain Glaze updated the Board regarding District patrol and current security issues and confirmed that current staffing is sufficient to meet the Board's expectations and the District's security needs.

PUBLIC COMMENT

Ms. Malander thanked Nick Cook and Clayton Benedict for coordinating the Earth Day event in the District. She also commended patrol for responding to speeding issues near the Nature Preserve playground and school.

Mr. Agrella commented that he was disappointed the Board did not grant a general homestead exemption this year and said he is looking forward to reduced tax rates later this year. Mr. Agrella also requested residents serve on the Board of Directors and requested the Board consider holding meetings in the District so residents could attend more easily. Mr. Agrella also commented that he had requested information from the District's engineer regarding drainage in Audubon Grove.

CONSENT AGENDA

Director Deden offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Rose 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 needed for this agenda item.

AUDIT FOR FISCAL YEAR ENDED DECEMBER 31, 2017

Mr. McGrath reviewed an audit draft report for the fiscal year ended December 31, 2017. Following review and discussion, Director Rose moved to (1) approve the audit report, subject to final review; and (2) authorize ABHR to file the final audit report with the Texas Commission on Environmental Quality ("TCEQ") and the Texas Comptroller of Public Accounts. The motion was seconded by Director Mason and passed unanimously.

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 Darcy moved to (1) approve the tax assessor/collector's report; and (2) pay the bills presented for payment from the tax account. Director Rose 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.

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 and reviewed a summary of operating charges for the month. Following review and discussion, Director Mason moved to approve the operator's report. Director Rose 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. Facilities Extension Agreement with CenterPoint Energy for signal light and irrigation service at 1227 ½ Spring Pine Forest Drive;
2. MP Technologies Texas, LLC electrical services on Spring Pine Forest Drive;
3. James Construction Group, LLC; curb and sidewalk modifications;
4. Fermob - furniture purchase for CityPlace Park (Lower Plaza);
5. Design Within Reach - furniture purchase for CityPlace Park (Lower Plaza);
6. C.L. Davis Task Order No. 008-18-009; for East Mossy Oaks Road Staking;
7. C.L. Davis Task Order No. 008-18-010; Construction Staking Services for CityPlace Park Bridges;
8. Halff Associates Task Order No. 064-18-009; Construction Administration Services for CityPlace Park Bridges;
9. Jones & Carter Task Order No. 021-18-010; Construction Management Services for CityPlace Park Bridges;
10. Jones & Carter Task Order No. 021-18-011; Construction Management Services for Pond 5 Rehabilitation and Maintenance of Facilities;
11. Jones & Carter Task Order No. 021-18-012; Construction Management Services for Drainage Corridor 3 Rehabilitation and Maintenance of Facilities;

12. Tolunay Wong Engineers Task Order No. 046-18-004; Construction Materials Testing Services for CityPlace Park Bridges;
13. Tolunay Wong Engineers Task Order No. 046-18-005; Construction Materials Testing Services for Pond 5 Rehabilitation and Maintenance of Facilities;
14. Tolunay Wong Engineers Task Order No. 046-18-006; Construction Materials Testing Services for Drainage Corridor 3 Rehabilitation and Maintenance of Facilities;
15. Office of James Burnett Task Order No. 043-18-005; Construction Administration Services for CityPlace Park Bridges; and
16. Office of James Burnett Task Order No. 043-18-006; Construction Administration Services for Pond 5 Rehabilitation and Maintenance of Facilities.

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

ORDER ADOPTING ELECTRONIC BIDDING RULES

The Board next considered adopting an Order Adopting Section 49.2731 Electronic Bidding Rules to permit the receipt of bids under Section 49.273 of the Texas Water Code through electronic transmission. Following review and discussion, upon a motion by Director Darcy and a second by Director Mason, the Board voted unanimously to adopt an Order Adopting Section 49.2731 Electronic Bidding Rules.

ENGINEERING MATTERS

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

Mr. Lozano reviewed bids for CityPlace Park Bridges and, based upon the recommendation of J&C, recommended the Board award the contract to MoBill Contractors, Inc., in the amount of \$784,668.98.

Mr. Lozano reported the status of the following construction projects and recommended approval of associated pay estimates listed below:

1. CityPlace Park (Lower Plaza) (Jones & Carter/Texas Wall & Landscape;
 - a. Pay Estimate No. 1;
2. CityPlace Landscape Improvements - Phase II (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate No. 3; and

3. Construction of Utility Modification along Lake Plaza Drive (Jones & Carter/MP Technologies);
 - a. Pay Estimate No. 1 & Final.

Ms. Humphries said the District has received notice from Springwoods Realty, Inc. ("SRI") of SRI's intent to transfer fee interest in one of the District's conservation easements to a third party and narrow the conservation easement as part of the new development. Ms. Humphries requested permission to negotiate the narrowed conservation easement area and restoration of District facilities within the reduced conservation easement area with the new property owner, with oversight and approval by Director Deden.

Following discussion and review, and based upon recommendation from the District engineer and J&C, Director Mason moved to (1) approve the engineering report from Half; (2) award a contract for CityPlace Park Bridges, upon the recommendation of J&C, to MoBill Contractors, Inc. in the amount of \$784,668.98; (3) approve pay estimates, based upon the engineer's recommendation; and (4) authorize ABHR to negotiate a narrowed conservation easement area and restoration of District facilities within the reduced conservation easement area with a new property owner, with oversight and approval by Director Deden. Director Darcy 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 and public inquiries through the District website. Following review and discussion, upon a motion by Director Rose and a second by Director Mason, the Board voted unanimously to approve the management report.

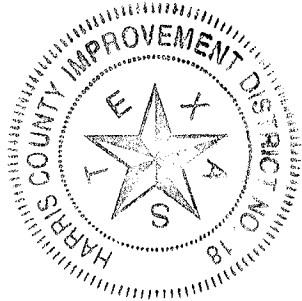
EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board determined it was not necessary convene in executive session.

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

Ann Dancy
Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
tax assessor/collector's report	2
bookkeeper's report	2
operations and maintenance report	3
engineering reports from Jacobs	4
management report from MSA	5