

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

May 23, 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 23rd day of May, 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 Directors Mason and Benoit, thus constituting a quorum.

Also present at the meeting were Jan Bartholomew of Robert W. Baird & Co. Incorporated; Joe Agrella and Karyn Haley, District residents; Donna Bryant of Assessments of the Southwest, Inc. ("ASW"); J.C. Reno 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"); Joanne Willenbacher, Michelle Beninda and Cliff Long, 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

The Board received a written patrol report for the month of April, 2018.

PUBLIC COMMENT

Mr. Agrella commented that he was discussing drainage issues in Audubon Grove with MSA and the District engineer. He also requested that the Board consider reducing tax rates later this year and appointing a resident to serve on the Board of Directors.

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.

TAX ASSESSMENT AND COLLECTIONS MATTERS, INCLUDING COLLECTION OF DELINQUENT TAXES

Ms. Bryant reviewed the tax assessor/collector's report. She 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. Discussion ensued regarding reallocation of sales tax received by the District and funds pending escheatment to the Texas State Comptroller. Following discussion and review, Director Rose made a motion to (1) approve the bookkeeper's report; and (2) approve payment of the bills presented. 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 and reviewed a summary of operating charges for the month. Discussion ensued regarding the status of a filing all pending invoices associated with a theft/vandalism at the water treatment plant with the District's insurance carrier. Following review and discussion, Director Darcy 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. Supplement to Conduit Purchase Agreement (City Plaza Drive);
2. James Construction Group, LLC; Lake Plaza Drive curb and sidewalk modifications;
3. C.L. Davis Task Order No. 008-18-011; Construction Staking Services for CityPlace Roadways Phase II;
4. C.L. Davis Task Order No. 008-18-012; Water meter easement for Palmetto Transoceanic, LLC;
5. Halff Associates Task Order No. 064-18-010; Construction Administration Services for CityPlace Roadways Phase II;
6. Jones & Carter Task Order No. 021-18-013; Construction Management Services for CityPlace Roadways Phase II;
7. Jones & Carter Task Order no. 021-18-015; Additional General Construction Management and Inspection Services for 2018
8. Jones & Carter Task Order No. 021-18-014; Bidding Services for Pedestrian Trails - Nature Preserve Extension;
9. Office of James Burnett Task Order No. 043-18-007; Construction Administration Services for CityPlace Roadways Phase II;
10. Tolunay Wong Engineers Task Order No. 046-18-007; Construction Materials Testing Services for CityPlace Roadways Phase II;
11. Tolunay Wong Engineers Task Order No. 046-18-008; Construction Materials Testing Services for Rehabilitation and Maintenance along Drainage Corridor 1; and
12. Tolunay Wong Engineers Task Order No. 046-18-009; Additional Construction Materials Testing Services for General Storm Water Construction.

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

DEEDS AND EASEMENTS

The Board next considered approving the following conveyances:

1. Electrical easement (CityPlace Owner's Association);
2. Utility easement (CityPlace Owner's Association);
3. Encroachment agreement with CityPlace Owner's Association (CityPlace Park (Lower Plaza)); and
4. Water meter easement (Palmetto Transoceanic LLC).

Following review and discussion, upon a motion by Director Darcy and a second by Director Rose, the Board voted unanimously to approve the conveyances, as recommended.

ENGINEERING MATTERS

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

Mr. Lozano first discussed the status of design of the Nature Preserve Extension Trail and requested authorization to advertise for bids for construction.

Mr. Lozano reviewed bids for construction of CityPlace Roadways, Phase II and, based upon the recommendation of J&C, recommended the Board award the contract to Harper Brothers Construction, LLC, ("Harper Brothers") in the amount of \$1,818,894. The Board concurred that, in its judgment, Harper Brothers was a responsible bidder who would be most advantageous to the District and would results in the best and most economical completion of the project.

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. 2;
 - b. Change Order No. 1 (Waterproofing and Storm Manhole Adjustments) as an increase in the amount of \$17,079 to the contract;
 - c. Quantity Contract Adjustment No. 1 (Match Field Quantities);
2. CityPlace Landscape Improvements - Phase II (Jones & Carter/Shooter & Lindsey);
 - a. Pay Estimate No. 4;
 - d. Change Order No. 1 (Steel Edging, Irrigation Sleeves, East Mossy Drainage) as an increase in the amount of \$209,504.29 to the contract;
 - b. Quantity Contract Adjustment No. 1 (Match Field Quantities);
3. Spring Stuebner RRC I - Spring Stuebner Road & Holzwarth Road Public Landscape Improvements (Jones & Carter/Texas Wall & Landscape);
 - a. Pay Estimate No. 8 & Final;
 - b. Quantity Contract Adjustment No. 3 (Match Field Quantities);

4. Median Lighting Extensions (Jones & Carter/McDonald Municipal & Industrial);
 - a. Pay Estimate No. 2; and
5. East Mossy Oaks Road - Phase IV (Jones & Carter/Triple B);
 - a. Pay Estimate No. 10 and 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 Halff; (2) authorize the District engineer to advertise for bids for construction of the Nature Preserve Extension Trail; (3) award a contract for CityPlace Roadways, Phase II, upon the recommendation of J&C, to Harper Brothers in the amount of \$1,818,894, subject to approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor; (4) approve pay estimates, based upon the engineer's recommendation; and (5) approve the Change Orders listed and as discussed above, based upon the Board's finding that the Change Orders are beneficial to the District and the engineer's recommendation. Director Rose seconded the motion which passed unanimously.

MANAGEMENT REPORT

Mr. Cooke reviewed a management report from MSA, and updated the Board regarding the District's pending application for reimbursement filed with the Federal Emergency Management Agency. Discussion ensued regarding standing installation of a sod oval at Drainage Corridor No. 3. Following review and discussion, upon a motion by Director Rose and a second by Director Darcy, 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.

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
security report	1
tax assessor/ collector's report	2
bookkeeper's report	2
operations and maintenance report	2
engineering reports from Halff	4
management report from MSA	5