

MINUTES
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

April 2, 2019

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 2nd day of April, 2019, 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 Benoit and Rose, thus constituting a quorum.

Also present at the meeting Joe Agrella, District resident; Jan Bartholomew and Stephen Eustis of Robert W. Baird & Co. Incorporated; David Patterson of Assessments of the Southwest, Inc. ("ASW"); Nick Lammayot of ExxonMobil Corporation ("ExxonMobil"); Phillip Dautrich and Mario Garcia of TNG Utility Corp. ("TNG"); Darrell Hawthorne of Municipal Accounts and Consulting, L.P.; Daniel Lozano and Shawn Pachlhofer of Halff Associates, Inc. ("Halff"); Nick Cooke of Mike Stone Associates, Inc. ("MSA"); Martin Murdock of Jones & Carter, Inc.; Alicia Wade of Ward Communications; Bill Walker of Springwoods Realty, Inc. ("SRI"); and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REPORT ON SECURITY

The Board received an update regarding patrol in the District during March, 2019 and additional traffic control provided as a shared cost with ExxonMobil during heavy entrance and exist times into the ExxonMobil campus. Following discussion, Director Darcy moved to approve additional law enforcement services contracts for additional traffic control personnel. The motion was seconded by Director Mason and passed unanimously.

PUBLIC COMMENT

There was no public comment.

Mr. Agrella thanked Mr. Lozano for attending the recent Audubon Grove Homeowner's Association Meeting to explain ongoing efforts to work with the developer to correct in correctly installed drainage in Audubon Grove, at the developer's cost. He also commented regarding the District's proposed change of posting place on the agenda and noted some of the Directors' terms were coming to an end.

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

No items were removed from the consent agenda for discussion.

TAX ASSESSMENT AND COLLECTIONS MATTERS, INCLUDING COLLECTION OF DELINQUENT TAXES

Mr. Patterson reviewed the tax assessor/collector's report. After review and discussion, Director Darcy moved to (1) approve the tax assessor/collector's report; (2) pay the bills presented for payment from the tax account; and (3) authorize engagement of an industrial category appraiser, as necessary. Director Mason seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne 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 Mason 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.

The Board took no action regarding purchase of a 1.244 acre tract for expansion of the Spring Stuebner detention pond.

OPERATION OF DISTRICT BILLINGS, REPAIRS AND MAINTENANCE

Mr. Dautrich 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. He also presented a contract for installation of Badger automated meters. Mr. Garcia discussed recent fluoride spikes in District water samples, ongoing investigation of same and required notifications posted on TNG's website.- Following review and discussion, Director Darcy moved to (1) approve the operator's report; and (2) approve a Master Services Agreement with Badger Meter. Director Mason seconded the motion, which passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

No accounts were presented for termination.

ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Humphries stated that the Texas Commission on Environmental Quality ("TCEQ") rules require that the District review and adopt an Amended and Restated Drought Contingency Plan in 2019, prior to May 1st. Ms. Humphries reviewed an Amended and Restated Drought Contingency Plan with the Board, which was reviewed by the District engineer and operator. After review and discussion, Director Darcy moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Mason seconded the motion, which passed by unanimous vote.

DISTRICT FUNDED TASK ORDERS, ADDITIONAL SERVICE AUTHORIZATIONS, PROPOSALS

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

1. Geoteaming contract for hotel tax event;
2. C.L. Davis Task Order No. 008-19-005; Wet Utilities West of Springwoods Village Parkway - Survey;
3. Halff Associates Task Order No. 064-19-007; Additional Design Services for CityPlace Landscape Improvements - Phase III;
4. Ward Communications Task Order No. 066-19-002; for GeoTeaming Event; and
5. Tolunay Wong Engineers Task Order No. 046-19-002; Additional Construction Materials Testing Services for CityPlace Roadways - Phase II.

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

In response to a question from the Board, Ms. Wade discussed the intended audience for the upcoming geoteaming event in the District financed by hotel tax revenue.

DEEDS AND EASEMENTS

The Board considered an Amendment to the Maintenance Declaration for Crossington Way, Phase 2. Following review and discussion, Director Mason moved to approve an Amendment to the Maintenance Declaration for Crossington Way, Phase 2. Director Darcy seconded the motion, which passed unanimously.

ENGINEERING MATTERS

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

Mr. Lozano stated that bids were received for electrical field services on Energy Drive. Mr. Lozano recommended that the Board award the contract to MP Technologies ("MPT") in the amount of \$23,070. The Board concurred that, in its judgment, MPT was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Lozano updated the Board regarding drainage/punch-list repairs underway in Audubon Grove to bring the drainage into compliance with Harris County and State regulations.

Mr. Lozano recommended that the Board commit capacity to Martin Fein Interests, Ltd. to serve a 327 unit multi-family development.

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) award a contract electrical field services on Energy Drive to MPT in the amount of \$23,070, based upon the Jones & Carter's recommendation and subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor; and (3) approve a commitment of capacity to Martin Fein Interests, Ltd., subject to receipt of fees required by the District's Rate Order. Director Mason seconded the motion, which passed by unanimous vote.

MANAGEMENT REPORT

Mr. Cooke reviewed a management report from MSA, a copy of which is attached. Discussion ensued regarding removal of debris in detention areas following a heavy rain. Mr. Cooke also presented a proposed amendment to the District's Services agreement with Shooter & Lindsey for additional unit pricing for maintenance and supplemental services. Following review and discussion, Director Mason moved to (1) approve the management report; and (2) approve an amendment to the District's Services agreement with Shooter & Lindsey for additional unit pricing for maintenance and supplemental services. The motion was seconded by Director Darcy and passed unanimously.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board determined it was not necessary to 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

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