

MINUTES  
HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

June 26, 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 26<sup>th</sup> day of June, 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
Craig Doyal	Assistant Vice President
Sue Darcy	Secretary
Richard L. Rose	Assistant Secretary

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

Also present at the meeting were Joe Agrella, District resident; Stephen Eustis of Robert W. Baird & Co. Incorporated; Kathy Brittain-Drew of Assessments of the Southwest, Inc. ("ASW"); Nick Lammayot of ExxonMobil Corporation ("ExxonMobil"); Phillip Dautrich and Mario Garcia of TNG Utility Corp. ("TNG"); Mark Burton of Municipal Accounts and Consulting, L.P.; Daniel Lozano of Halff Associates, Inc. ("Halff"); Nick Cooke of Mike Stone Associates, Inc. ("MSA"); Joanne Willenbacher, Kevin Gregory, Adam Meech and Bill Walker of Springwoods Realty, Inc. ("SRI"); and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

REPORT ON SECURITY

There was no report on security, but the Board noted the District has not received any comments or complaints.

PUBLIC COMMENT

There was no public comment.

APPOINTMENT OF DIRECTOR

The Directors considered appointing Craig Doyal to the Board. Director Mason noted Mr. Doyal's expertise in mobility issues would be beneficial to the District. Upon a motion by Director Rose and a second by Director Mason, the Board voted unanimously to appoint Craig Doyal to the vacant Board seat.

## 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 Mason seconded the motion, which passed unanimously by a vote of 3 to 0, with Director Doyal abstaining from voting. 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.

## UNLIMITED TAX BONDS, SERIES 2019

Mr. Eustis reviewed bids received for the sale of the District's \$7,240,000 Unlimited Tax Bonds, Series 2019, and stated that the low bidder was BOK Financial Securities, Inc. with a net effective interest rate of 3.68733%.

Ms. Humphries reviewed a Resolution Authorizing the Issuance of the District's \$7,240,000 Unlimited Tax Bonds, Series 2019.

Ms. Humphries then reviewed a Paying Agent/Registrar Agreement.

The Board next considered approving an Official Statement for the District's \$7,240,000 Unlimited Tax Bonds, Series 2019. Mr. Eustis reported that the Preliminary Official Statement previously approved will be updated to reflect pricing information on the bonds.

Ms. Humphries reviewed various documents relating to the bond sales and asked the Board to authorize the attorney and the financial advisor to take all necessary steps to deliver the bonds to the purchaser.

The Board next reviewed a Certificate Regarding Provision of Financial Advice confirming that the Board has relied solely upon the advice of Robert W. Baird & Co. concerning the issuance of the Bonds and investments of proceeds of the Bonds.

Following review and discussion, Director Mason moved that the Board (1) award the sale of the District's \$7,240,000 Unlimited Tax Bonds, Series 2019 to BOK Financial Securities, Inc.; (2) adopt a Resolution Authorizing the Issuance of the District's \$7,240,000 Unlimited Tax Bonds, Series 2019; (3) authorize execution of the Paying Agent/Registrar Agreement with Zions Bancorporation, National Association; (4) approve the Official Statement; (5) authorize the Board of Directors to sign the bond documents and authorize the attorney and financial advisor to take all necessary steps to deliver the bonds to the purchaser; and (6) approve the Certificate Regarding

Provision of Financial Advice. Director Doyal seconded the motion, which passed unanimously.

#### UNLIMITED TAX PARK BONDS, SERIES 2019

Mr. Eustis reviewed bids received for the sale of the District's \$1,950,000 Unlimited Tax Park Bonds, Series 2019, and stated that the low bidder was BOK Financial Securities, Inc. with a net effective interest rate of 3.096569%.

Ms. Humphries reviewed a Resolution Authorizing the Issuance of the District's \$1,950,000 Unlimited Tax Park Bonds, Series 2019.

Ms. Humphries then reviewed a Paying Agent/Registrar Agreement.

The Board next considered approving an Official Statement for the District's \$1,950,000 Unlimited Tax Park Bonds, Series 2019. Mr. Eustis reported that the Preliminary Official Statement previously approved will be updated to reflect pricing information on the bonds.

Ms. Humphries reviewed various documents relating to the bond sales and asked the Board to authorize the attorney and the financial advisor to take all necessary steps to deliver the bonds to the purchaser.

The Board next reviewed a Certificate Regarding Provision of Financial Advice confirming that the Board has relied solely upon the advice of Robert W. Baird & Co. concerning the issuance of the Bonds and investments of proceeds of the Bonds.

Following review and discussion, Director Doyal moved that the Board (1) award the sale of the District's \$1,950,000 Unlimited Tax Park Bonds, Series 2019 to BOK Financial Securities, Inc.; (2) adopt a Resolution Authorizing the Issuance of the District's \$1,950,000 Unlimited Tax Park Bonds, Series 2019; (3) authorize execution of the Paying Agent/Registrar Agreement with Zions Bancorporation, National Association; (4) approve the Official Statement; (5) authorize the Board of Directors to sign the bond documents and authorize the attorney and financial advisor to take all necessary steps to deliver the bonds to the purchaser; and (6) approve the Certificate Regarding Provision of Financial Advice. Director Rose seconded the motion, which passed unanimously.

#### DEVELOPER REIMBURSEMENT REPORT FOR ADVANCED FUNDS RELATING TO THE PUBLIC IMPROVEMENT COSTS

The Board received and reviewed a recapitulation report prepared by the District's auditor of amounts advanced by the developer for the construction of public improvements and to be reimbursed to the developer from amounts received from the Harris County Redevelopment Authority pursuant to the District's 381 Agreement with

Harris County (the "Report"). Following review and discussion, Director Mason moved to approve the report and authorize disbursement of funds as directed in the Report. Director Rose seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTIONS MATTERS, INCLUDING COLLECTION OF DELINQUENT TAXES

Ms. Brittain-Drew reviewed the tax assessor/collector's report and updated the Board regarding recent meetings with the Harris County Appraisal District to discuss appraisal of category properties in the District. She also discussed preliminary taxable values for the District and the Defined Area for 2019. 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 Mason seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

#### COLLECTION OF DELINQUENT TAXES

The Board considered authorizing Perdue, Brandon, Fielder, Collins & Mott, LLP to proceed with collection of delinquent 2018 taxes. Following review and discussion, Director Rose moved to authorize Perdue, Brandon, Fielder, Collins & Mott, LLP to proceed with the delinquent tax collection. Director Doyal seconded the motion, which was approved by unanimous vote.

#### 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 Rose made a motion to (1) approve the bookkeeper's report; (2) approve payment of the bills presented. The motion was seconded by Director Mason and passed unanimously.

#### 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. Mr. Garcia reported the status of installation of Badger automated meters in residential, irrigation and small retail areas. Following review and discussion, Director Doyal moved to (1) approve the operator's report; and (2) authorize the District website administrator to post the CCR to the District's website prior to the deadline. Director Mason seconded the motion, which passed unanimously.

## TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

No accounts were presented for termination.

## ORDER ESTABLISHING AMENDED RULES AND REGULATIONS CONCERNING PARKS AND RECREATIONAL FACILITIES (CITYPLACE LOWER PLAZA)

There was no discussion for this agenda item.

## 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. Termination of Maintenance Declaration for Harper Woods;
2. Addendum to Conduit Purchase Agreement with MCI/Verizon;
3. Pipeline Crossing Agreement (utility extensions on Springwoods Village Parkway);
4. C.L. Davis Task Order No. 008-19-009; Plat on Springwoods Village Water Plant No. 1 located at southwest corner of Interstate 45 and Crossington Way;
5. C.L. Davis Task Order No. 008-19-010; Plat on Springwoods Village Parkway Street Dedication Sec 4 located between East Mossy Oaks and Grand Parkway;
6. Halff Associates Task Order No. 064-19-012; Additional Construction Administration Services for CityPlace Landscape Improvements - Phase III; and
7. Jones & Carter Task Order No. 021-19-014; Additional General Construction Management & Inspection Services for 2019.

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

## DEEDS AND EASEMENTS, INCLUDING SPRINGWOODS VILLAGE PARKWAY CONSERVATION EASEMENT MODIFICATIONS

There was no discussion for this agenda item.

## ENGINEERING MATTERS

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

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

1. CityPlace Roadways - Phase II (Jones & Carter/Harper Brothers Construction);
  - a. Pay Estimate No. 6.

Following discussion and review, and based upon recommendation from the District engineer and J&C, Director Rose moved to (1) approve the engineering report from Halff; and (2) approve Pay Estimate No. 6 for CityPlace Roadways, Phase II. 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. Following review and discussion, Director Doyal moved to approve the management report. The motion was seconded by Director Mason 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.



  
Secretary, Board of Directors

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