

**MINUTES OF REGULAR MEETING  
OF  
WINDFERN FOREST UTILITY DISTRICT**

September 16, 2014

The Board of Directors of Windfern Forest Utility District of Harris County, Texas, met in regular session, open to the public, at a regular meeting place inside the boundaries of the District, at the Windfern Forest Utility District Administration Building (“DAB”), 14410 Mauna Loa Drive, Houston, Texas, on September 16, 2014, and the roll was called of the duly constituted officers and members of the Board, to wit:

Eddie Mendel	President
Vacant	Vice President
Kurt Schoelman	Secretary/Treasurer
Shari North	Assistant Secretary
Pat Going	Director

and all of said persons were present, thus constituting a quorum.

Also present were Karla Efigenio of McLennan & Associates; Jaison Sanwald and Gene Connors of TOPS; Shawn Sharkey of Jacobs Engineering Group, Inc.; Ryan Fortner of Wheeler & Associates; Sergeant Lowery and Constable Jennifer McCants of Harris County Constable’s Office, Precinct 4; Drew Masterson of First Southwest Company; and Clark Lord and Debbie Russell of Bracewell & Giuliani LLP.

**APPEARANCES BEFORE THE BOARD**

No one was present to address the Board.

**SECURITY REPORT**

Constable McCants reported on security matters within the District for the month of August 2014.

**APPROVE MINUTES**

The Board reviewed the minutes of August 19, 2014. Following discussion, upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the minutes of August 19, 2014 as submitted.

**BOOKKEEPER’S REPORT, APPROVE PAYMENT OF BILLS AND REVIEW INVESTMENT OF DISTRICT FUNDS**

Ms. Efigenio presented the bookkeeper’s report, a copy of which is attached to these minutes, for the period August 19, 2014 to September 16, 2014. She next reviewed the checks presented for payment, the District’s investments and a comparison of actual versus budgeted revenues and expenses for the period ending August 31, 2014.

Following discussion on the bookkeeper's report, upon a motion made by Director Schoelman and seconded by Director North, the Board voted unanimously to approve the bookkeeper's report, payment of the bills and investment of the District's funds.

### **OPERATING BUDGET**

The Board next reviewed the draft operating budget for the fiscal year ending September 30, 2015. Director Mendel questioned whether the generator project will be installed during the next fiscal year. Mr. Sharkey stated that it is unlikely that the generator will be installed during the new fiscal year. The Board also discussed the escrowed funds that the TCEQ has currently under review. After further discussion regarding the draft budget, Director Schoelman moved that the Board adopt the operating budget revised to delete the generator project and to reflect the pending transfer of escrowed funds from capital projects to operating. Director North seconded the motion and it carried by unanimous vote.

### **TAX ASSESSOR/COLLECTOR'S REPORT AND APPROVE PAYMENT OF BILLS**

Mr. Fortner next presented the tax assessor/collector's report for the month of August, a copy of which is attached. He reviewed the report, stating that as of August 2014, the District's 2013 taxes are 99.40% collected and the 2012 taxes are 99.84% collected. Mr. Fortner also presented checks nos. 2453-2458 for payment.

Following discussion on the tax assessor/collector's report, upon a motion made by Director Going and seconded by Director Schoelman, the Board voted unanimously to approve the tax assessor/collector's report and payment of the tax bills.

### **DELINQUENT TAX ATTORNEY'S REPORT**

The Board reviewed the District's delinquent tax attorney's report, a copy of which is attached, regarding the status of collection of the District's delinquent taxes. The Board took no action in connection with the delinquent tax attorney's report.

### **PROPOSED TAX RATE FOR 2014 AND AUTHORIZE PUBLICATION OF NOTICE OF HEARING**

Mr. Masterson reviewed a tax rate analysis with the Board for the year 2014. Following discussion, a motion was made by Director Going and seconded by Director North to adopt a proposed tax rate of \$0.52 per \$100 valuation, comprised of a \$0.27 component for debt service and a \$0.25 component for maintenance and operation, and authorize publication of a Notice of Hearing regarding the proposed tax rate. The motion carried by unanimous vote.

Mr. Fortner stated that he will publish a Notice of Hearing in the Houston Chronicle and added that the tax hearing will be held at the District's regularly scheduled meeting on October 21, 2014.

**OPERATOR'S REPORT**

Mr. Sanwald presented the operator's report for August 2014, a copy of which is attached to these minutes.

Mr. Sanwald then reviewed a joint water production and accountability report with the Board and reported that water accountability for the prior month was 91%.

Mr. Sanwald reported on repairs and maintenance at District facilities. He presented the results of the hydrant inspection and stated that the total to repair all of the hydrants on the list was \$33,565.00. The Board requested that the operator repair the hydrants that on the priority list beginning in October and spread the repairs out of several months.

Mr. Sanwald then reported that water well no. 3 was taken offline because of odor complaints from the apartment complex. Mr. Connor stated that the well may have sulphur reducing bacteria. He stated that ~~the well was super chlorinated and then flushed.~~ Mr. Connor stated that a sample was sent for testing and that he should have more information by the next meeting.

*the well*  
*one solution would be to*

Following discussion on the operator's report, upon a motion made by Director Going and seconded by Director Schoelman, the Board voted unanimously to approve the operator's report and authorize the repairs of the priority hydrants on inspection list.

**CONDUCT HEARING ON TERMINATION OF WATER SERVICE TO DELINQUENT WATER AND SEWER ACCOUNTS AND AUTHORIZE APPROPRIATE ACTION**

The Board next considered termination of utility service to customers with delinquent accounts. Mr. Sanwald reported that the residents appearing on the termination list were given proper notice and the opportunity to be heard in order to explain, contest or correct the utility service bill and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order and stated there were no appeals from residents.

Following discussion, a motion was made by Director Going to terminate utility service to customers with delinquent accounts. Director Schoelman seconded the motion, which carried by unanimous vote.

**ENGINEER'S REPORT**

The Board next reviewed the engineer's report, a copy of which is attached, including the following matters:

Elevated Storage Tank Waiver Application

Mr. Sharkey had nothing new to report in connection with the TCEQ Elevated Storage Tank Waiver Application.

Coating Repair of Water Plant No. 1's Ground Storage Tank and Hydropneumatic Tank

Mr. Sharkey requested the Board's authorization to advertise for bids in connection with the coating of the hydropneumatic and ground storage tanks.

After discussion, Director Schoelman moved that the Board approve the engineer's report and authorize the advertisement of bids for the coating of the hydropneumatic and ground storage tanks. Director North seconded the motion and it passed by unanimous vote.

**ATTORNEY'S REPORT**

Resolution Regarding Change in Scope and Release of Escrowed Funds

Mr. Lord stated that there was nothing new to report in connection with the release of escrowed funds application.

Disclosure Statement of Investment Officer

Mr. Lord stated that the District's investment officer must annually prepare a disclosure statement that will be filed with the Texas Ethics Commission. He stated that the District's bookkeeper who is also the investment officer has prepared the statement for filing. After review and discussion, Director Schoelman moved that the Board accept the Disclosure Statement from the Investment Officer. Director Going seconded the motion and it carried unanimously.

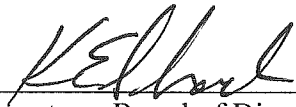
**BUILDING OFFICE MANAGER'S REPORT**

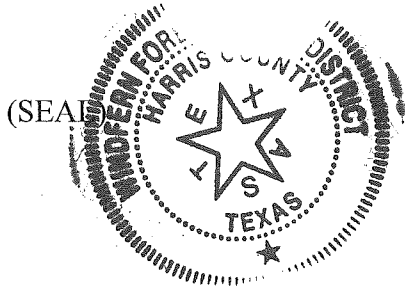
There was no building office manager's report for the month.

**REPORT ON MATTERS DISCUSSED AT THE MEETING OF THE WHITE OAK BAYOU JOINT POWERS BOARD**

Director Mendel reported on matters discussed at the August meeting.

There being no further business to come before the Board, the meeting was adjourned.

  
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Secretary, Board of Directors



**ATTACHMENTS**

bookkeeper's report .....1  
tax assessor/collector's report for the month of August .....2  
delinquent tax attorney's report .....2  
operator's report for August 2014.....3  
engineer's report .....3