

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

July 18, 2017

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 Lane, Houston, Texas, on July 18, 2017, and the roll was called of the duly constituted officers and members of the Board, to wit:

Eddie Mendel	President
Pat Going	Vice President
Kurt Schoelman	Secretary/Treasurer
Shari North	Assistant Secretary
Karen Hlavenka	Assistant Vice President

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

Also present were Mary Lutz of McLennan & Associates; Avik Bonnerjee of B & A Municipal Tax Service, LLC; Nathan White of TOPS; Sergeant Curry and Lieutenant Garza of the Harris County Constable’s Office, Precinct 4; Shawn Sharkey of Jacobs Engineering Group, Inc.; Carol Lueb of the DAB; Debbie Russell of Bracewell LLP; and Mark Eyring of Roth and Eyring.

APPROVE MINUTES

The Board reviewed the minutes of June 20, 2017. Following discussion, upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the minutes of June 20, 2017, as revised.

SWORN STATEMENT, BOND AND OATH OF NEWLY ELECTED DIRECTOR

Ms. Russell informed that the Board that Director Schoelman must execute his Sworn Statement, Bond, and Oath of Office following the 2017 Directors Election. Director Going moved that the Board approve the sworn statement, bond and oath of Director Schoelman and authorize the filing of the oath with the Secretary of State of Texas. Director North seconded the motion and it carried by unanimous vote.

ENGAGE AUDITOR TO CONDUCT ANNUAL AUDIT FOR FISCAL YEARS ENDING SEPTEMBER 30, 2017 AND 2018

Mr. Eyring presented a two-year engagement letter to perform the District’s annual audit for the fiscal years ending September 30, 2017 and 2018. He stated that the terms of the engagement letter were the same as approved by the Board for the previous two-year period except for a proposed increase in the fee to \$10,950.00 per year. Following discussion, a motion was made by Director Going and seconded by Director Hlavenka to approve the engagement

letter with Roth & Eyring PLLC to perform the District's annual audit for the fiscal years ending September 30, 2017 and 2018. The motion carried by unanimous vote.

SECURITY REPORT

Sergeant Curry reported on security matters within the District for the month of June, 2017. He also informed the Board of a rate increase that will be effective in 2018.

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

Ms. Lutz presented the bookkeeper's report, a copy of which is attached to these minutes, for the period June 20, 2017 to July 18, 2017. 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 June 30, 2017. Ms. Lutz then presented the monthly investment report for the period ending June 30, 2017. After review of the budget comparison, the Board again requested that the item described as "pool utilities" be changed to Capital Projects – WWTP. The Board also requested that the budget comparison match the actual budget. Ms. Lutz stated that she would make those changes.

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

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

Mr. Bonnerjee next presented the tax assessor/collector's report for the month of June, a copy of which is attached. He reviewed the report, stating that as of July 2017, the District's 2016 taxes are 98.68% collected and the 2015 taxes are 99.76% collected. Mr. Bonnerjee also presented the checks for payment.

Mr. Bonnerjee next reported that Victoria Waltrip was current on payment of her installment account.

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.

OPERATOR'S REPORT

Mr. White presented the operator's report for June 2017, a copy of which is attached to these minutes.

Mr. White then reviewed a joint water production and accountability report with the Board and reported that water accountability for the prior month was 91%. He then reported on repairs and maintenance at District facilities.

Amendment of Contract with TOPS

Mr. White stated that an amendment to the District’s contract with TOPS was prepared to address the additional water sources being serviced by his company. He stated that the increase adds \$400.00 to the monthly rate. After review and discussion, Director Hlavenka moved that the Board approve the contract amendment as presented. Director North seconded the motion and it carried by unanimous vote.

Upon a motion made by Director North and seconded by Director Going, the Board voted unanimously to approve the operator’s report.

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. White 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 North to terminate utility service to customers with delinquent accounts. Director Going seconded the motion, which carried by unanimous vote.

ATTORNEY’S REPORT

Interlocal Agreement for Waterwise Program

Ms. Russell stated that the Harris Galveston Subsidence District (“HGSD”) was again proposing that the District sponsor a class in its waterwise program. The Board questioned from which school would the students be attending and if the number of students being sponsored could be reduced. Ms. Russell stated that she would contact the HGSD to obtain additional information. The Board then deferred action on the matter.

ENGINEER’S REPORT

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

Mr. Sharkey informed the Board that PowerSecure submitted an Air Quality Permit Application to the TCEQ on behalf of the District and it is under technical review. He stated that PowerSecure has indicated that they expect the Permit to be issued in 6 to 8 weeks.

After discussion, Director Going moved that the Board accept the engineer’s report. Director Schoelman seconded the motion and it carried by unanimous vote.

BUILDING OFFICE MANAGER'S REPORT

Ms. Lueb next discussed the landscaping contract for the DAB. She stated that Teakwood's performance had declined recently. The Board noted that the proposal from Texasclapes was more competitive than Teakwood's. After discussion, the Board authorized the termination of the agreement with Teakwood and the hiring of Texasclapes effective July 31, 2017.

AWBD CONFERENCE

Director Hlavenka reported on some of the topics discussed at the AWBD summer conference. She questioned whether the District could allocate some future funds to adding aesthetic and/or recreational improvements to the District. The Board noted that the new operating budget will be discussed at the next meeting. Director Hlavenka stated that she would be attending the next meeting of the Laurel Creek HOA.

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

Director Mendel reported on matters discussed at the June meeting of the White Oak Bayou Joint Powers Board. He stated the participants in the Plant will have to fund their portion of the current improvements at the Plant in December.

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

Secretary, Board of Directors

(SEAL)

ATTACHMENTS

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