

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

February 16, 2016

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 February 16, 2016, 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 Diane Dover of McLennan & Associates; Ryan Fortner of Wheeler & Associates; Eric Martin of TOPS; Shawn Sharkey of Jacobs Engineering Group, Inc.; Corporal Lopez, and Constable Stephanie Crystal Hall of the Harris County Constable’s Office, Precinct 4; and Clark Lord and Debbie Russell of Bracewell LLP.

APPEARANCES BEFORE THE BOARD

There were no appearances before the Board.

SECURITY REPORT

Constable Hall reported on security matters within the District for the month of January 2015.

APPROVE MINUTES

The Board reviewed the minutes of January 19, 2016. Following discussion, upon a motion made by Director Schoelman and seconded by Director North, the Board voted unanimously to approve the minutes of January 19, 2016, as presented.

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

Ms. Dover presented the bookkeeper’s report, a copy of which is attached to these minutes, for the period January 20, 2016 to February 16, 2016. 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 January 31, 2016. Ms. Dover then presented the quarterly investment report for the period ending January 31, 2016.

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

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

Mr. Fortner next presented the tax assessor/collector's report for the month of January , a copy of which is attached. He reviewed the report, stating that as of January 2016, the District's 2015 taxes are 92.57% collected and the 2014 taxes are 99.59% collected. Mr. Fortner also presented checks nos. 2553-2557 for payment.

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

DELINQUENT TAX ATTORNEY REPORT

Mr. Fortner then distributed a delinquent tax report prepared by Perdue Brandon Fielder Collins & Mott which included a list of delinquent taxpayers to whom termination of water service is recommended. After review of the report and discussion of the proposed termination of service, Director Going moved that the Board approve the delinquent tax report and authorize termination of the water service to the list of delinquent accounts. Director Hlavenka seconded the motion and it carried unanimously.

TAX RESOLUTIONS

Resolution Concerning Tax Collection Procedures

Mr. Lord presented a Resolution Concerning Tax Collection Procedures for the Board's review and approval. Following discussion, Director Going moved that the Board approve a Resolution Concerning Tax Collection Procedures, which rejects the following optional procedures: (1) refraining from sending a tax bill for less than \$15.00, (2) permitting the split payment of taxes, and (3) allowing discounts for the early payment of taxes. Director North seconded the motion, which passed unanimously. The Resolution, thus adopted, is attached to and considered a part of these minutes.

Resolution Concerning Exemption Of Residence Homesteads From Taxation

Mr. Lord next presented a Resolution Concerning Exemption of Residence Homesteads from Taxation, which provides for the exemption from ad valorem taxation by the District of \$10,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older and which rejects a general homestead exemption and exemptions for charitable organizations. Following discussion, Director Going moved that the Board approve the Resolution Concerning Exemption of Residence Homesteads from Taxation. Director North seconded the motion, which carried unanimously. The Resolution, thus adopted, is attached to and considered a part of these minutes.

Resolution Providing For Additional Penalty For Tax Collection Costs

Mr. Lord then presented a Resolution Providing for Additional Penalty for Tax Collection Costs, which establishes a penalty of 20% on all taxes, penalty, and interest that remain unpaid as of July 1, 2015, for real property, and as of February 1, 2015, for tangible personal property, as authorized by the Texas Property Tax Code. Following discussion and upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the Resolution Providing for Additional Penalty for Tax Collection Costs. A copy of the Resolution, thus adopted, is attached to and considered a part of these minutes.

OPERATOR'S REPORT

Mr. Martin presented the operator's report for January 2016, a copy of which is attached to these minutes.

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

Mr. Martin reported on repairs and maintenance at District facilities.

Mr. Martin then reported that he met with Harris County Pollution Control (the "County") regarding the violation caused by the sewer overflow at the lift station. He stated that the County required that a "quick connect" be installed at the lift station immediately. Mr. Martin stated that he obtained approval for the installation from Director Mendel so that the District would be in compliance. He stated that the County may require that the District install the same device at all of the District's lift stations. The Board directed that Mr. Martin obtain bids for the cost of installation of the quick connects at the lift stations. The Board also discussed the possibility of reserving a generator that could be pulled into service if an emergency occurred, but determined that it was cost prohibitive. The Board questioned whether the new generator could be utilized for the lift stations. Mr. Sharkey stated that he would have to have an electrical engineer prepare an analysis to determine same.

Mr. Martin next reported that he had televised the sewer line to the service connector at 8610 Hazy Meadows and discovered that the stack had collapsed and must be repaired. The Board discussed the options available for making the repair and authorized the District's operator and engineer to determine the best and most economical solution to completing the repair.

Following discussion on the operator's report, upon a motion made by Director Going and seconded by Director North, 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. Martin 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 North seconded the motion, which carried by unanimous vote.

ATTORNEY'S REPORT

Association of Water Board Directors Conference

After discussion, Director Schoelman moved that the Board authorize all interested Board members to attend the 2016 summer AWBD conference. Director North seconded the motion and it carried unanimously.

ENGINEER'S REPORT

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

Emergency Generator at Water Plant No. 1

The Board next discussed installation of a generator at water plant no. 1. Mr. Sharkey reported that he is working with Power Secure on the generator project and stated that they will provide all of the services for installation. He stated that his work responsibilities will be greatly reduced from what was previously projected. Director Going stated that he would prefer to have the original task order for the project be modified to reflect the new expectations. Mr. Sharkey stated that he would prepare same for the Board's approval.

Water Well No. 3

Mr. Sharkey stated that the estimated construction cost for the chlorine injection system to address the bacteria at water well no. 3 is \$175,000 with total project cost being \$200,000. The Board agreed to table this matter until such time as the District must use water well no. 3.

After discussion, Director North moved that the Board accept the engineer's report. Director Going seconded the motion and it carried unanimously.

BUILDING OFFICE MANAGER'S REPORT

There were no issues to discuss.

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

Director Mendel reported on matters discussed at the January meeting.

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

Secretary, Board of Directors

(SEAL)

ATTACHMENTS

bookkeeper’s report 1
tax assessor/collector’s report for the month of January 2
Resolution Concerning Tax Collection Procedures 2
Resolution Concerning Exemption of Residence Homesteads from Taxation,..... 2
Resolution Providing for Additional Penalty for Tax Collection Costs 3
operator’s report for January 2016..... 3
engineer’s report 4