

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70

Minutes of Meeting of Board of Directors

August 1, 2018

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 70 ("District") met at 2935 Foley Road, Crosby, Harris County, Texas 77532 on August 1, 2018, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Bobby Crippens, President
Terry Lutz, Vice President
Randall Keith Adams, Secretary
Mike Higgins, Director
Jim Raines, Director/Treasurer

and the following absent:

none.

Also present were, Bob Ideus, Lizandro Campos, Greg Lentz, Pam Graham, Terry Stevens, Jim Ainsworth, Sam Warner, and G. Taylor Goodall, Jr.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. The Board considered the minutes of the meeting held on July 11, 2018. After brief review and discussion, upon motion made by Director Adams, seconded by Director Lutz and unanimously carried, the Board approved the minutes as presented.
2. The Board considered the tax assessor/collector's report, copy attached. Lizandro Campos noted that the District's 2017 taxes are 97.53% collected. Upon motion made by Director Higgins, seconded by Director Adams, the Board unanimously approved the tax assessor-collector's report as presented and authorized disbursement of the funds contained therein.
3. Greg Lentz approached the Board with a contract for financial advisory services with Masterson Advisors. After discussion regarding the contract and the change of the District's representation from Hilltop Securities to Masterson Advisors upon motion made by Director Higgins, seconded by Director Lutz, the Board unanimously approved serving notice to Hilltop Securities for termination of contract and upon motion by Director Raines, seconded by Director Higgins, authorized execution of an engagement agreement with Masterson Advisors for financial advisory services.
4. Terry Stevens presented an operator/manager's report, copy attached. After review of the report, upon motion made by Directors Adams, seconded by Director Lutz, the Board unanimously approved the report and accepted the proposal from Foster Fence as presented.
5. Jim Ainsworth and Sam Warner presented an engineer's report, copy attached. The Board reviewed the scope of work proposed for Water Plant No. 1 improvement project and acknowledged the accompanying HB1295 form. Subject to that discussion, upon motion

made by Director Adams, seconded by Director Lutz, the Board unanimously approved the scope of work as presented.

The Board reviewed a draft analysis letter to be provided to Crosby ISD regarding the school District's request for service. Upon motion made by Director Adams, seconded by Director Higgins, the Board unanimously approved issuing the letter. Subject to that discussion, upon motion made by Director Higgins, seconded by Director Raines, the Board unanimously approved the engineer's report as presented.

6. Mr. Bob Ideus presented the bookkeeper's report, copy attached. The District's operating fund balance is \$1,553,892.60. Upon motion made by Director Higgins, seconded by Director Raines, the Board approved the bookkeeper's report as presented and authorized disbursement of the funds contained therein.

7. Pam Graham presented a billing and collections report, copy attached. The District collected \$42,166.89 during the reporting period. Upon motion made by Director Lutz, seconded by Director Raines and unanimously carried, the Board approved the billing and collections report as presented.

8. The Board considered collection for garbage service provided by OFS Solid Waste Collection. It was noted that no representatives from OFS were present to discuss recent issues with trucks leaking in the District and the item shall remain on the agenda.

9. Pursuant to Texas Government Code §551, at 7:50 p.m. the Board entered into executive session to discuss employment matters with the District's attorneys. At 8:05 p.m. the Board exited executive session and reconvened its regular meeting. Upon motion made by Director Raines, seconded by Director Adams, the Board approved increasing compensation to Terry Stevens by 7% to be reflected in the Fiscal Year End 2019 budget. Upon motion made by Director Raines, seconded by Director Lutz, the Board approved increasing compensation to be payed to Junior by 6% to be reflected in the Fiscal Year End 2019 budget. Upon motion made by Director Raines, seconded by Director Adams, the Board approved issuing a \$300 bonus to Eddie to be reflected in the Fiscal Year End 2019 budget. Upon motion made by Director Raines, seconded by Director Lutz, the Board approved increasing compensation by 7% to Tracy to be reflected in the Fiscal Year End 2019 budget. Upon motion made by Director Raines, seconded by Director Lutz, the Board approved increasing compensation to be paid to Pam Graham by 7% to be reflected in the Fiscal Year End 2019 budget. Upon motion made by Director Raines, seconded by Director Lutz, the Board approved increasing compensation paid to meter readers by \$1.05 to be reflected in the Fiscal Year End 2019 budget.

10. The Board considered the Fiscal Year End 2019 budget, copy attached. After incorporation of the comments previously mentioned, upon motion duly made by Director Raines, seconded by Director Lutz, the Board unanimously adopted the budget as presented.

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

Secretary