

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

January 8, 2019

The Board of Directors (“Board”) of Spring Creek Forest Public Utility District (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Texas, on January 8, 2019, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

R. W. (Rick) Kehlenbach, President
Wayne Cherry, Vice President
Tom Buffington, Director

and the following was absent:

Janet E. Frakes, Secretary
Kennon Evett, Jr., Director.

Also present were Ms. Claudia Redden, representing the District’s bookkeeper, Ms. Pat Hall, representing the District’s tax assessor/collector; Mr. Mark Ivy, representing the District’s operator; Ms. Amber Hurd, representing the District’s engineer; and Ms. Lori G. Aylett, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it. In the absence of the Secretary, Director Cherry was appointed Secretary Pro Tempore.

1. Minutes of the meeting held December 11, 2018 were presented for the Board's review and approval. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Pat Hall presented the tax assessor/collector’s report, a copy of which is attached. The report reflects that 2017 taxes are 99.6% collected, and 2018 taxes are 25% collected. Two checks were presented for the Board’s review and approval. Upon unanimous vote, the Board approved the tax assessor/collector's report as presented.

3. The Board discussed whether to offer a general homestead exemption. At this time, the District does not have enough commercial development to warrant an exemption. After discussion, it was duly moved, seconded and unanimously carried that no homestead exemption be granted for the year 2019.

4. There was presented the attached Order Adopting Residence Homestead Exemption for Persons 65 or Older or Disabled. The attorney reported that pursuant to the Texas Constitution, the District may provide an exemption from taxation for residence homesteads of persons 65 years or older or disabled. The Board stated its desire to offer an exemption from taxation of \$25,000 as in years past, and the order reflecting same was presented. Upon motion

duly made, seconded and unanimously carried, the Board voted unanimously to approve the order as presented.

5. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2018 delinquent taxes for business personal property on April 1, 2019 and for real property on July 1, 2019. Upon unanimous vote, the order was adopted as presented.

6. Mr. Mark Ivy presented an operations report, a copy of which is attached. The District accounted for 91.02% of the water produced during the month of November. The District billed \$73,771.63 and collected \$78,460.69. The District has 809 connections. 4.564 million gallons of water came from the North Harris County Regional Water Authority, and the District pumped 1.271 million gallons of water from its wells. Upon unanimous vote, the Board approved the operations report as presented.

7. Ms. Amber Hurd presented an engineer's report, a copy of which is attached. The engineer reported the District's current average and projected future connection counts to the engineer for the Bammel Regional wastewater treatment plant. With regard to the force main reconstruction project, Ms. Hurd reported that construction is progressing but has been slow due to wet weather. There were no pay estimates. The contractor received a bill from Cypress Klein PUD in the amount of \$4,819.05 for Cypress Klein's work associated with the water main breaks in that district that occurred in October. The engineer is reviewing the bill with the contractor. Upon unanimous vote, the Board approved the engineer's report as presented.

8. The District received a letter from the Harris County Flood Control District stating that they will no longer mow or maintain certain segments of a flood control channel. The Flood Control District claims that Spring Creek Forest PUD has an easement on the tract in question. The engineer will map out easement locations, and the attorney will perform title work to determine whether the District has an easement.

9. Ms. Claudia Redden presented a bookkeeper's report, a copy of which is attached. After discussion, upon unanimous vote, the Board approved the bookkeeper's report and payment of the bills listed thereon.

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

Secretary