

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

June 11, 2019

The Board of Directors ("Board") of Spring Creek Forest Public Utility District ("District") met at 2727 Allen Parkway, Suite 1100, Houston, Texas, on June 11, 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
Janet E. Frakes, Secretary
Kennon Evett, Jr., Director

and the following was absent:

Tom Buffington, Director.

Also present were Ms. Jennifer Landreville, representing the District's tax assessor/collector; Mr. Mark Ivy, representing the District's operator; Mr. Jason Eldridge, 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.

1. Minutes of the meeting held May 14, 2019 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. The Board reviewed the status of the District's 2019 Refunding Bonds. The attorney was pleased to report that the Bonds sold and the District achieved 4.87% net present value savings.

3. Ms. Jennifer Landreville presented the tax assessor/collector's report, a copy of which is attached. The report reflects that 2018 taxes are 97.8% collected. All prior years' tax collections are over 99% collected. Three checks were presented for the Board's review and approval. The tax assessor reported the District's 2019 preliminary tax value is \$214,000,000. Upon unanimous vote, the Board approved the tax assessor/collector's report as presented.

4. Mr. Mark Ivy presented an operations report, a copy of which is attached. The District accounted for 96.43% of the water produced during the month of April. The District billed \$96,587.50 and collected \$83,347.17. The District has 811 connections. 7.851 million gallons of water came from the North Harris County Regional Water Authority, and the District pumped 1.797 million gallons of water from its wells. The operator reported a car hit a fire hydrant on Louetta Road, and the District experienced some low water pressure until the

operator repaired the valve. The incident was a hit and run, and the person who hit the hydrant apparently took it. Upon unanimous vote, the Board approved the operations report as presented.

5. Mr. Jason Eldridge presented an engineer's report, a copy of which is attached. The engineer reported Resicom has abandoned the old force main pipe after filling it with grout. The contractor still needs to do site restoration work. Upon unanimous vote, the Board approved the engineer's report as presented.

6. Ms. Aylett then requested authorization for her firm to compile and submit to CenterPoint Energy the information required to comply with the emergency operations critical load status for District facilities. This will register with CenterPoint Energy and other emergency operations agencies the District's critical water and wastewater infrastructure, and those facilities will be given priority for restoring service after a hurricane or other disaster. In addition, the attorney will submit contact information to emergency operations agencies for the County and the State, as required by law. The Board authorized the attorney to submit the critical load report and emergency operation information on the District's behalf.

7. The Board next reviewed a flyer from Residential Recycling and Refuse of Texas. The flyer educates residents on what items will be picked up at the back door, what items must be taken to the curb, and bag and weight limits. The Board authorized it to be mailed to customers and posted to the District's website.

8. The Board reviewed 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.

9. The Board reviewed the attached ethics letter and update by Investment Officer Claudia Redden. The attorney noted that annually the Investment Officer is required to disclose whether she has any personal business relationships with any entities seeking to sell an investment to the District. Ms. Redden indicated that she has investments with Wells Fargo, Fidelity and Janus. Upon unanimous vote, the Board approved the Investment Officer disclosure as presented and authorized its filing with the Texas Ethics Commission and in the minutes of the District, as required by law.

10. The Board considered an Interlocal Agreement with the Harris-Galveston Subsidence District for participation in the WaterWise program and sponsorship of Ehrhardt Elementary. The attorney noted that the District typically sponsors 150 students at Ehrhardt Elementary at a cost of \$36.46 per student. The students are provided with WaterWise kits, which encourage water conservation and provide information about the efficient use of water. The District earns Series B groundwater credits in exchange for its sponsorship. After discussion, upon unanimous vote, the Board approved the Interlocal Agreement with the Harris-Galveston Subsidence District as presented.

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


Secretary