

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113

Minutes of Meeting of Board of Directors

May 12, 2026

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 113 ("District") met on May 12, 2026, at 14707 Dale Hollow Lane, Cypress, Texas, 77429, pursuant to the duly posted notice of said meeting with a quorum of directors present as follows:

Darren Hoyland, President
Carolyn Maniscalco, Vice President
David Robicheaux, Secretary
Scott McCorkle, Assistant Secretary
Makonen A. Campbell, Director

and the following absent:

None.

Also present were Mr. Bob Ideus of Municipal Business Services; Ms. Michelle Guerrero of Bob Leared Interests; Mr. Scott Shelnett of Municipal Operations & Consulting, Inc.; Mr. Christopher T. Burke of Burke Engineering; and Mr. Douglas McNiel, 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. The Board opened the floor for public comment. Hearing none, the Board continued the meeting.

2. The Board conducted the consultant contract review with the Bookkeeper, Mr. Bob Ideus. Mr. Ideus addressed the Board's concerns with the District's bookkeeping contract. The Board and Mr. Ideus discussed the late delivery of financial information to the auditor, Mr. Ideus' cybersecurity precautions, and the future of Mr. Ideus' business. The Board thanked Mr. Ideus for attending the meeting. At the conclusion of the conversation, Mr. Ideus exited the meeting.

3. The President of the Board executed the Certificates of Election indicating that Directors Hoyland and Robicheaux were elected without opposition to serve an additional four-year term on the Board pursuant to the cancellation of the May 2, 2026 election. The newly elected directors (i) presented their Statement of Appointed/Elected Officer and Letter of Qualification and (ii) completed the conflicts disclosure questionnaire. Upon motion by Director McCorkle, seconded by Director Campbell, the Board unanimously accepted Oaths of Office, and Directors Hoyland and Robicheaux then began their new terms.

4. The Board considered the Election of Officers. Upon motion by Director McCorkle, seconded by Director Campbell, the Board unanimously accepted the following slate of officers:

Darren Hoyland, President
Carolyn Maniscalco, Vice President
David Robicheaux, Secretary
Scott McCorkle, Assistant Secretary
Makonen A. Campbell, Director.

5. The Board considered the minutes of the meeting of April 14, 2026. Upon motion by Director Robicheaux, seconded by Director Campbell, the Board unanimously approved the minutes as presented.

6. Ms. Michelle Guerrero presented the tax assessor-collector's report reflecting the District's 2025 taxes are 94.077% collected. Ms. Guerrero presented two checks for the Board's review and approval, and two wire transfers were made. After discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board voted unanimously to approve the tax assessor-collector's report.

7. The delinquent tax report prepared by Perdue, Brandon, Fielder, Collings & Mott L.L.P is reviewed quarterly. The District reviewed the report in March.

8. Mr. Scott Shelnutt presented the operator's report which reflected 418 total connections in the District. Collections for the month were at \$30,696.85 with current billings at \$30,907.04. The report showed water accountability at 84.28% during this period. Total water plant pumpage for the prior month was 3,508,000 gallons. There were no permit violations reported at the wastewater treatment plant.

The operator recommends placing two delinquent accounts totaling \$571.37 onto the District's list of uncollectible accounts. The operator noted that five defective meters were replaced in the month of March. The operator recommended the Board authorize up to \$1,300 for an inspection of the District's fire hydrants. After discussion, upon motion by Director Robicheaux, seconded by Director McCorkle, the Board voted unanimously to approve the operator's report as presented, placing the discussed accounts onto the District's list of uncollectible accounts, and authorized up to \$1,300 for the inspection of the District's fire hydrants.

9. The operator then presented the District's draft consumer confidence report ("CCR") detailing the District's water quality. The draft showed no violations. A URL linking to the report will be included in the District's upcoming water bills.

10. Mr. Chris Burke presented the engineer's report. The engineer and the Board discussed the Board's membership in the Cypress Creek Flood Control Coalition. Next, the engineer discussed H.B. 500 funding for water projects. After describing the scoring process for the grants, the Board and the engineer concluded that the District should not apply for a grant as the grant writing process is expensive and the District is unlikely to score high. After discussion, upon motion by Director McCorkle, seconded by Director, the Board voted unanimously to approve the engineer's report as presented.

11. The Board then reviewed the bookkeeper's report which reflected the District's operating fund contained \$2,990,529.96 the construction fund contained \$117,230.30,

and the bond fund contained \$120,260.39. Upon motion by Director Robicheaux, seconded by Director Campbell, the Board voted unanimously to approve the bookkeeper's report.

12. The Board discussed the budget for fiscal year ending May 31, 2027. After discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board voted unanimously to approve the Resolution Adopting Operating Budget for Fiscal Year Ending May 31, 2027 subject to final edits by the Board members and the consultants.

13. The Board authorized the attorney to update the District's Tax Code Section 26.18 compliance report now that the District has an approved budget for the fiscal year ending May 31, 2027.

14. Mr. Douglas McNiel gave a brief attorney's report. He updated the Board on compliance with HB 1500 and HB 3512. The Board then considered the District's cyber insurance policy. The attorney informed the Board that the policy will expire in July and requested feedback on whether the Board would like to complete an application for policy renewal. The Board indicated that the District should complete the application for policy renewal.

15. There was no executive session held.

16. No other matters were discussed.

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


Secretary


**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113
NOTICE OF PUBLIC MEETING**

Notice is hereby given to all interested members of the public that the Board of Directors of the captioned District will hold a public meeting at **14707 Dale Hollow Lane, Cypress, Texas**. The meeting will be held at **7:00 p.m.** on **Tuesday, May 12, 2026**.

The subject of the meeting is to consider and act on the following:

1. Public Comment
2. Approve certificates of election; approve qualifications of newly elected directors; accept oaths and statements of elected officials; Director conflicts disclosure questionnaires
3. Election of officers
4. Minutes of the April 14, 2026 meeting
5. Tax Assessor/Collector's report; status of tax collections; payment of expenses from tax account
6. Delinquent Tax Report
7. Operator's report; status of operation of District facilities; authorize maintenance and repairs, as necessary; customer correspondence; termination of service to delinquent accounts; amend Drought Contingency Plan as needed
8. Consumer Confidence Report
9. Engineer's report; review and authorize proposed maintenance and repairs; approve award of construction contracts; approve change orders, pay estimates, and advertisement for bids, as necessary; status of District facilities; Capital Improvement Plan, authorize additional design and construction as appropriate
10. Bookkeeper's report; payment of bills; investment of District Funds
11. Resolution Adopting Operating Budget for F.Y.E. 5/31/2027
12. Update Tax Code §26.18 & Government Code §2051.202 compliance after FYE 2027 budget
13. Attorney Report
14. Consultant Contract Review
15. Executive (closed) Session Pursuant to Texas Government Code §§ 551.071, 551.072, 551.074 and 551.076
16. Other Matters and pending business: including, Insurance, Annexation of Land; Contract for Electric Power; Audit Report; Application to Texas Commission on Environmental Quality; Continuing Disclosure; Solid Waste Contract; District Publications





Douglas C. McNeil
Attorney for the District

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113

Compliance with Texas Government Code Section 551.043

Pursuant to Texas Government Code § 551.043(c), a physical copy of the proposed budget has been attached to this Notice of Public Meeting

Taxpayer Impact Statement

Below is a comparison of a property tax bill for a median-valued homestead property in the District for the current fiscal year to an estimate of a property tax bill for the same property for the upcoming fiscal year if the proposed budget is adopted.¹

Description	Tax Bill (\$)
Property tax bill for a median-valued homestead property in District for current fiscal year	1,556.15
Estimated property tax bill for the same median-valued homestead property in District for upcoming fiscal year if proposed budget is adopted	1,556.15

Taxing units such as the District adopt their tax rates under the authority of Chapter 49, Texas Water Code and are not governed by the no-new-revenue tax rate calculations set forth in Chapter 26, Texas Tax Code. Therefore, this Taxpayer Impact Statement does not provide a comparison of property tax bills for the current fiscal year to a balanced budget funded at the no-new-revenue-tax rate as calculated under Chapter 26, Texas Tax Code.

¹While the legislation uses the term “median-valued,” such term does not appear in the sections of Texas Tax Code Chapter 26 that are applicable to taxing units such as the District. Laws applicable to the District require its tax assessor-collector to calculate the tax rate using the “average taxable value” of homestead properties. (*Texas Water Code, Sections 49.23601, 49.23602(d), and 49.23603*). Therefore this Taxpayer Impact Statement calculates the property tax bill using such “average taxable value.”

April 14, 2026

Harris County WCID 113
 Operating Budget
 FYE 5-31-27

	<u>Proposed 5-31-27</u>	<u>Budget 5-31-26</u>
REVENUES		
Water revenue	\$80,000.00	\$70,000.00
Sewer revenue	\$195,000.00	\$195,000.00
NHC Regional Water Authority fees	\$125,000.00	\$120,000.00
Penalty and interest	\$8,500.00	\$8,500.00
Tap revenue		
Maintenance tax	\$680,000.00	\$670,000.00
Interest income	\$90,000.00	\$100,000.00
Total operating revenues	<u>\$1,178,500.00</u>	<u>\$1,163,500.00</u>
EXPENDITURES		
Director fees	\$15,500.00	\$15,500.00
Operator fees	\$48,000.00	\$65,000.00
Repairs and maintenance	\$225,000.00	\$225,000.00
Office expense	\$22,500.00	\$20,000.00
Security monitoring at plants	\$6,000.00	\$6,000.00
Lab	\$25,000.00	\$25,000.00
Sludge removal	\$14,000.00	\$14,000.00
Utilities	\$80,000.00	\$82,000.00
Legal	\$46,350.00	\$46,350.00
Legal - digital records conversion	\$3,000.00	\$3,000.00
Engineering - general	\$25,000.00	\$25,000.00
Engineering - wwtp permit renewal	\$0.00	\$0.00
Bookkeeping	\$12,000.00	\$11,200.00
Insurance	\$33,000.00	\$27,000.00
Permits	\$3,000.00	\$3,000.00
Audit	\$15,500.00	\$14,500.00
Sewer inspections	\$2,500.00	\$2,500.00
Chemicals	\$18,000.00	\$15,000.00
Miscellaneous	\$5,000.00	\$5,000.00
Payroll taxes	\$1,185.00	\$1,185.00
Garbage collection	\$130,000.00	\$120,000.00
Election	\$0.00	\$20,000.00
NHC Regional Water Authority fees	\$125,000.00	\$120,000.00
Total operating expenditures	<u>\$855,535.00</u>	<u>\$866,235.00</u>
Excess revenues (expenditures) from operations	<u>\$322,965.00</u>	<u>\$297,265.00</u>

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April 14, 2026

Harris County WCID 113
Operating Budget
FYE 5-31-27

	<u>Proposed 5-31-27</u>	<u>Budget 5-31-26</u>
<u>Capital Expenditures</u>		
Waste Water Treatment Plant		
CCC/Digester Coatings	\$150,000.00	
Temporary Bypass	\$80,000.00	
Engineering	\$38,000.00	
Contingencies	\$42,000.00	
Water Plant		
GST 2 Internal Repair & Coatings	\$80,000.00	
Other Coatings (building, piping, pumps, etc)	\$100,000.00	
Engineering	\$32,000.00	
Contingencies	\$36,000.00	
Mag - Ox Feed System	\$40,000.00	
Total Capital Expenditures	\$578,000.00	
Excess revenues (expenditures) (1)	(\$255,035.00)	\$297,265.00

(1) Note: The capital expenditures reflected on this page (page 2) are the result of a one time rehabilitation of district infrastructure. The budgeted Excess Revenues from Operations in the amount of \$322,965 is shown on page 1.