

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 89 §

The Board of Directors of Harris County Water Control & Improvement District No. 89 met in regular session, open to the public, at its meeting place outside the boundaries of the District on April 2, 2019, whereupon, the roll of the members of the Board of Directors was called, to-wit:

Sharyn Smalls	President
Michael Smith	Vice President
Annie Jenkins	Secretary
Arthur Washington	Assistant Secretary
Byron K. Watson, Sr.	Investment Officer

All members of the Board were present; Director Watson arrived late.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Laney Brown of SiEnviro; Matthew Kelley of AEI; Cory Burton of Municipal Accounts & Consulting; Daniel Pereyra and Sarah Valladeres of Environmental Allies; Ray Arce of Wheeler & Associates; and Christie Leighton of Best Trash; also Paige Smith, President of Brunswick Place HOA and litigator George Gibson.

WHEREUPON, the meeting was called to order by the President, and evidence was presented that public notice of the meeting had been given in compliance with the law.

- 1. OPENING PRAYER.** Director Smith led those assembled in prayer.
- 2. PUBLIC COMMENTS.** Paige Smith of Brunswick Place HOA stated her Board would meet on April 9th at 7:00 p.m. at the Jones Memorial Methodist Church; the Directors indicated a desire to attend.

3. **MINUTES.** The Board reviewed the minutes of the March 19, 2019 meeting. A motion was made by Director Washington, and seconded by Director Smith, to approve the minutes with revisions discussed, which motion carried 4-0.

4. **DETENTION FACILITIES REPORT.** Daniel Pereyra presented the pond maintenance report, and reviewed the pictures of the detention ponds with the Board. He discussed the issue of EA employees putting debris in the pond. Mr. Pereyra stated the issue has been resolved on the company's end. The area was cleaned up and the situation was discussed with the employees. He also discussed a separate issue of residents putting trash over the fence to be picked up. Director Washington noted deliberate dumping is outside the scope of what is to be picked up.

Mr. Pereyra discussed the spring seeding and fertilization for the slopes of the pond, at a proposed cost of \$12,650; the Board took no action on the proposal. Matthew Kelley recommended doing all the ponds above their waterlines.

5. **TRASH SERVICES REPORT.** Christie Leighton of Best Trash addressed the Board and discussed a 5% CPI increase as the contract for services is now at the one year mark. The increase was for an increase of \$0.77 per home, to a total charge of \$16.02.

6. **TAX ASSESSOR'S REPORT.** Ray Arce presented the tax assessor's report, a copy of which is attached as Exhibit "A". He reported the District has collected 97.04% of its 2018 taxes, and 99.14% of its 2017 taxes. He reviewed the checks on the tax account for the Board's approval.

Following further discussion, it was moved by Director Smith and seconded by Director Washington to approve the tax assessor's report, which motion carried unanimously, 4-0.

7. **BOOKKEEPER'S REPORT.** Cory Burton presented the bookkeeper's report, which is attached hereto as Exhibit "B". He presented the checks for approval. He reviewed the capital projects fund breakdown, the FDIC insurance and pledged securities, the budget

comparison and the debt service requirements. He reviewed conference attendance and expenses presented by the directors.

Following further discussion it was moved by Director Smith and seconded by Director Jenkins to approve the bookkeeper's report and the checks and items as presented, which motion carried unanimously, 4-0.

Director Watson entered the meeting at this time.

8. OPERATOR'S REPORT. Laney Brown presented the operations report, a copy of which is attached as Exhibit "C". He reported there were 2,805 connections, with no permit excursions at the Wastewater Treatment Plant, which was 51.9% utilized. Mr. Brown also discussed the water accountability at 81.46%. He reviewed the delinquent list, accounts to be sent to collections, and the preventative maintenance schedule with the Board. He discussed the control boxes for the pond pumps and stated it would cost \$800 to replace each of them. The Board discussed the cost to replace the boxes at all the ponds, and Director Smith stated the poles should also be replaced with 6x6" treated square poles.

Laney Brown discussed the camera survey of Water Well #1, conducted by Alsay. He stated there was \$8300 in work completed so far, with 418,550 recommended well cleaning and a \$30,209 cost to replace the pump equipment, with installation costs of \$7,250. The Board approved the expenditures and noted AEI would supervise and submit an emergency approval request to TCEQ.

Following further discussion, it was moved by Director Smith and seconded by Director Washington to approve the operations report with the items presented, which motion carried unanimously, 5-0.

9. IDENTITY THEFT PREVENTION POLICY. Chris Richardson presented the Order Reviewing and Confirming the District's Identity Theft Policy, a copy of which is attached

as Exhibit "D". Mr. Brown confirmed there were no incidents of suspected identity theft and no changes to the policy were recommended. Following discussion by the Board it was moved by Director Smith and seconded by Director Jenkins to confirm the District's Identity Theft Policy, which motion carried unanimously, 5-0.

10. EMERGENCY PREPAREDNESS PLAN / UPDATE CRITICAL LOAD INFORMATION. Mr. Richardson explained the requirements for the Emergency Preparedness Plan and presented an Order Reviewing Emergency Preparedness Plan and Authorizing Submittal of Critical Load Information for approval, a copy of which is attached as Exhibit "E".

Following a discussion, it was moved by Director Smith and seconded by Director Washington to approve the Order presented and authorize the operator to update the electricity providers accordingly, which motion carried unanimously, 5-0.

11. ENGINEER'S REPORT. Matthew Kelley reviewed the engineer's report, a copy of which is attached hereto as Exhibit "F". He discussed the progress on District projects, including the Capital Projects Plan. Mr. Kelley discussed NPH Southpoint Phase II Detention Pond. He presented Pay Estimate No. 6 for the Board's review. He also discussed the Lift Station for the NPH project. He discussed Water Well #2 and the TCEQ Approval. He discussed Water Plant No. 2 and the HPT tank rehabilitation; he stated he would present bids at the next meeting. Mr. Kelley discussed the Wastewater Treatment Plant Office and Waterline and the replat of Morningside Place. He noted Harris County had written off the 20 year old tax bill on the District's wastewater treatment plant site.

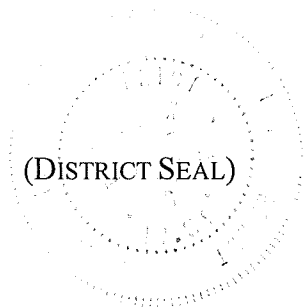
Mr. Kelley discussed the Morningside Place Pond Rehabilitation options and the "all in" cost without engineering for Flexamat. He stated he would do the design first and would keep the Board informed on the process.

Following further discussion, it was moved by Director Washington and seconded by Director Smith to approve the engineer's report along with the items presented, which motion carried unanimously, 5-0.

12. CONSIDER APPROVAL OF TENDER AND SUBSTITUTION AGREEMENT AND SURETY'S CHOICE OF CONTRACTOR. The Board met in executive session from 1:00 p.m. to 1:45 p.m. with litigator George Gibson to discuss the Surety's denial of the District's claim. The Board reconvened in open session.

13. ADJOURNMENT/ FUTURE AGENDA ITEMS. There being no further business to come before the Board, it was moved and seconded that the meeting be adjourned, which motion carried unanimously.

PASSED, ADOPTED and APPROVED this 16th day of April, 2019.



Annie Jenkins
Secretary