

**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 July 7, 2020 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, with President Smalls arriving late.

Also present were Chris Richardson, attorney, Stephanie Nagel, legal assistant of Strawn & Richardson, P.C.; Laney Brown of SiEnviro; Ed Shackelford of AEI; Matthew Kelley of MK Engineering & Consulting; Byron Thurmond of BGT; Adeem Abassi and his attorney, Faisal Vellani, representing ARIA (developers).

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 Jenkins led those assembled in prayer.
- 2. PUBLIC COMMENTS.** There were no public comments.
- 3. DETENTION FACILITIES REPORT.** The Board reviewed the pictures of the ponds in the report. Following discussion, it was moved by Director Washington and seconded by Director Watson to approve the report, which motion carried unanimously, 4-0.
- 4. TRASH SERVICES REPORT.** No trash collection representative was present.

5. **TAX ASSESSOR'S REPORT.** Ray Arce was not present. The Board reviewed the tax assessor's report, a copy of which is attached as Exhibit "A". It was noted the District has collected 98.46% of its 2019 taxes, and 99.51% of its 2018 taxes. Following discussion, it was moved by Director Washington seconded by Director Jenkins to approve the tax assessor's report, which motion carried unanimously, 4-0.

6. **SECURITY AT DISTRICT FACILITIES.** Byron Thurmond stated all facilities are functioning properly; Director Washington confirmed all security equipment is functioning. Byron Thurmond stated the audio/visual equipment is in short supply and has a longer order lag time during the COVID-19 Pandemic; the Board authorized Mr. Thurmond to initiate purchase of District Building equipment.

7. **BOOKKEEPER'S REPORT.** The bookkeeper was not present. The Board reviewed the bookkeeper's report, which is attached hereto as Exhibit "B", and the checks for approval. Following further discussion, it was moved by Director Watson and seconded by Director Washington to approve the bookkeeper's report and the checks and items as presented, which motion carried unanimously, 4-0.

President Smalls 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 2,814 connections, with no permit excursions at the Wastewater Treatment Plant, which was 51.3% utilized. Mr. Brown also discussed the water accountability at 89.13%. He reviewed the delinquent list, accounts to be sent to collections, and the preventative maintenance schedule with the Board. He noted the pump was reinstalled after repairs were made at Lift Station #3, at a cost of \$9970.48. He presented an Estimate to Repair RAS Pump 1; the Board approved a new pump at a cost of \$9,812. President Smalls asked about the gate at the wastewater treatment plant and repairs to be provided by MagnaFlow; Mr. Brown stated MagnaFlow has apparently paid for the repairs and the company

is telling them repairs are being made on a “first come, first serve” basis. President Smalls stated that the repairs need to be expedited.

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

9. AEI ENGINEER’S REPORT. Ed Shackelford presented the engineer’s report for AEI, a copy of which is attached hereto as Exhibit “D”.

Mr. Shackelford discussed the progress on District projects. Mr. Shackelford discussed NPH Phase I and stated he has received the revised drawings. The Board tabled discussion.

Mr. Shackelford discussed NPH Phase II and stated the revised plans have been reviewed again.

Mr. Shackelford discussed the ARIA development proposal. Faisal Vellani discussed the draft capacity commitment letter for the proposed ARIA apartments complex, and his response on behalf of Mr. Abassi. He stated there will be approximately 320 units in total; there will be 2 phases of 160 units each. He stated Phase II will share the office, pool and recreation center with Phase I. Mr. Abassi asked if the term of the commitment to begin Phase II could be increased from 2 years to 3 years. President Smalls asked to have pest control added to the maintenance provision, and stated the increase to 3 years would be acceptable to the Board. Mr. Vellani stated the LLC listed as the addressee in the letter has not yet been formed, and the idea is to be able to convey the property between family-owned entities. Mr. Shackelford stated he would adjust the letter, consistent with the discussion from the Board.

Mr. Shackelford discussed the District Building; he noted the drywall is now 95% installed. He stated 100% of fence posts and 60% of fence panels were in place. He stated he is working on the elevation and as-built certificates. He presented Pay Estimate #6 in the amount of \$153,769.25, which the Board approved. He presented Change Order #9 for the storefront entry system,

additional sidewalks and additional framing, with 2 additional days of time, in the amount of \$42,515.18. The Board refused to approve the Change Order and asked Mr. Shackelford to renegotiate for a lower amount. Director Smith stated Frost Construction needs to be reasonable with their pricing. He stated they should not charge more than \$3000 on the drywall item. President Smalls asked about the status of the credit for the stolen light fixtures for the Porte Cochere. Mr. Shackelford stated Frost is asking for paid invoices for the fixtures, but they were District property and were in the building when Frost took over the job. He stated he would adjust pending Change Order #10. Director Smith asked to make sure Frost is not saving money by using inferior components; if there is any change in materials, the Board will want credit for the difference.

Mr. Shackelford discussed the Sanitary Sewer Lift Station #3 in Brunswick Lakes and stated there is corrosion and degradation of the wet wells and infiltration at the wall joints. He asked for authorization for a condition assessment, which the Board tabled.

Mr. Shackelford discussed the Violation Notices from Harris County. He stated Harris County is asking for the as-built certificate for the wastewater treatment plant to be resubmitted in the current software format. He stated AEI will re-do the as-built and elevation certificates for the Water Plant #1 Ground Storage Tank. President Smalls asked why the District would be responsible for migrating information from one County system to another. Director Smith asked to have copies of the emails sent to him and President Smalls.

Following discussion, it was moved by Director Smith and seconded by Director Jenkins to approve the engineer's report along with the items presented, which motion carried, 4-0-1 with Director Washington abstaining.

10. MK ENGINEER'S REPORT. Matthew Kelley reviewed his report a copy of which is attached hereto as Exhibit "E". He noted the Interlocal Agreement with HCFCD for drainage improvements in Morningside Place is now being reviewed. He stated HCFCD needs a

Right of Entry for surveying and geotechnical borings. He reviewed the Morningside Place Pond Rehabilitation Options.

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

11. DEVELOPER'S REPORT. There were no developers present.

12. ORDER DESIGNATING OFFICE SITES OUTSIDE THE DISTRICT.

Chris Richardson presented an Order designating the new address of the offices for Strawn & Richardson, P.C., as a possible meeting place for the Board of Directors. Following a discussion, it was motioned by Director Smith and seconded by Director Washington to approve the Order, which motioned carried unanimously, 5-0.

13. ORDER CALLING DIRECTORS ELECTION AND CONTRACT WITH HARRIS COUNTY. Mr. Richardson informed the Board the biennial Directors Election is scheduled for November 3, 2020. The Order Calling Directors Election and the Notice of Election were presented for the Board's review and approval; a copy of the Order is attached as Exhibit "F". Mr. Richardson also recommended the Board authorize entering into an agreement with Harris County for election services.

Following further discussion, it was moved by Director Smith and seconded by Director Watson that the Order Calling Directors Election and the Notice of Election be approved, to authorize entering into an agreement with Harris County for election services, and further that the attorneys be authorized to post notice of the election as required by law, which motion carried unanimously, 5-0.

14. MINUTES. The Board reviewed the minutes of the June 16, 2020 meeting. A motion was made by Director Smith, and seconded by Director Washington, to approve the minutes with revisions discussed, which motion carried 5-0.

15. **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 21st day of July, 2020.

Annie Jenkins
Secretary

