

MINUTES OF MEETING OF BOARD OF DIRECTORS
January 20, 2021

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 89

The Board of Directors (the “Board”) of Harris County Water Control & Improvement District No. 89 (the “District”) convened in regular session on January 20, 2021, at 11:30 a.m. via teleconference pursuant to Section 551.125, Texas Gov’t Code as modified by the temporary suspension of certain provisions thereof pursuant to guidelines issued by the Texas Attorney General and approved by the Governor for use during the COVID-19 statewide disaster. A roll call was taken of the persons present:

Sharyn Smalls, President
Paige Smith, Vice President
Arthur Washington, Secretary
AK Babers, Assistant Secretary
Byron Keith Watson, Sr., Investment Officer

All members of the Board were present. Also attending all or parts of the meeting were Mr. Laney Brown of Si Environmental, LLC (“Si”), operator of the District’s facilities; Mr. Matthew Kelley of MK Engineering (“MK”), engineer for the District; and Mr. Reginald Wilson and Ms. Meghan Koett of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District.

Pursuant to Section 551.054, Texas Gov’t Code, as modified by the temporary suspension of certain provisions thereof, notice of the meeting was posted on the District’s website within the time limits prescribed by law. A certificate of such posting is attached hereto as Exhibit A. The agenda packet was posted on the website as items became available in compliance with the guidelines issued by the Texas Attorney General.

Call to Order. Mr. Wilson called the meeting to order. He noted that the meeting was being held by teleconference in accordance with federal, state and county directives to slow the spread of COVID-19 by avoiding meetings that bring people together. He said the notice of the meeting included a toll-free dial-in number for members of the public to call so they can hear the meeting and address the Board. He noted that the meeting was being recorded and a recording would be available upon public request. Mr. Wilson then set out guidelines for the conduct of the meeting. He asked each speaker to identify themselves before speaking. He then turned the meeting over to the President.

1. **Opening Prayer.** Director Washington opened the meeting with a prayer.
2. **Public Comments.** There were no public comments.
3. **Report by Harris County Constable, Precinct No. 7.** There was no report and Sargent Meek did not attend the meeting.
4. **Review Operator’s Report and authorize necessary repairs.**

Mr. Brown reported on the district signs and installation.

Director Washington inquired about a map of marked locations for the signs for the Board to review. Mr. Brown stated he will create a map and present at the next meeting.

Director Washington inquired about the issue with the drainage system grate in the MSP Section 1 retention pond. Mr. Brown stated it will cost \$650.00 to replace the drainage system grate and he will present a formal proposal at the next meeting.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the operator's report, and to authorize the replacement of the drainage system grate subject to reviewing the formal proposal and for repairs not to exceed \$700.

5. Review Engineer's Report and take any necessary actions. Mr. Kelley presented and reviewed the engineer's report, a copy of which is attached hereto as *Exhibit B*.

Mr. Kelley stated that the District should put the engineering study on hold for his County Cress pump solution since there is not a lot of difference in surface elevation of the neighborhood and the Cullen box culverts. He will save the engineering qualifications in his file for future use if needed. Mr. Kelley stated that the existing pump station is undersized to be used as an emergency pump and that the better option is to get flood control to modify the storm water quality feature and upgrade the pumps. He stated this will require approval from Harris County and Flood Control. Director Watson expressed his concerns with continued flooding in the area. Extensive discussion ensued.

Mr. Kelley reported on the Asian massage center. He stated that the initial tenant was forwarded the letter by the building owner and new tenant. Mr. Kelley stated that the contractor is working directly with the building owner. Extensive discussion ensued.

Upon motion by Director Washington, seconded by Director Babers, after full discussion and having had the question put to the Board, the Board voted unanimously to accept the engineer's report.

6. Review Supplemental Bookkeeper's Report and take any necessary action. The Board reviewed a copy of the supplemental bookkeeper's report, a copy of which is attached hereto as *Exhibit C*.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the supplemental bookkeeper's report.

7. Discuss General Manger Report and take any necessary action.

President Smalls reported on the kitchen equipment training.

Director Watson inquired about special meetings needing to be held as an open meeting to the public. Mr. Wilson discussed the Opens Meeting Act. He stated that when a quorum of Directors gather to discuss District business it falls under the Opens Meeting Act. Mr. Wilson suggested staggering trainings to split up the Director's attendance.

President Smalls stated that she has distributed a draft copy of the building rules and regulations to the Board members for review. President Smalls recommends scheduling a

special meeting to discuss any comments or questions. President Smalls stated that she has also distributed a draft copy of the building job descriptions to the Board members for review and recommends discussing at the special meeting. The special meeting was scheduled for Wednesday, January 27th at 9:00 a.m.

President Smalls stated that technology will be purchased after the completion of the building.

President Smalls stated that the phones have been installed at the building and the official phone number is (832)-400-2289. President Smalls stated there will be a phone tree and the Directors can be reached through the tree. Discussion ensued.

President Smalls stated that business cards will be created for each Director. All Directors stated they would like for their cell phone numbers to be listed on the card.

President Smalls stated she will reach out to Precinct No. 1 regarding EMS coordination.

Upon motion by Director Washington, seconded by Director Watson, after full discussion and having had the question put to the Board, the Board voted 4-0, with President Smalls abstaining, to approve the General Manager's report.

1. Discuss job descriptions and qualifications for District employees and take any necessary action. This item will be discussed during the special meeting on January 27th.

2. Review and Approve Security Plan. President Smalls reported that this item will be discussed in detail during the special meeting on January 27th in executive session. Mr. Wilson provided instructions on how an executive session runs during a virtual meeting. Discussion ensued.

President Smalls reported that Mr. Thurmond is finishing the installation of the key card access to the building.

8. Review Ethics Policy and take any necessary action. President Smalls presented and reviewed the District's Ethics Policy, a copy of which is attached hereto as *Exhibit D*.

Discussion ensued regarding the language of Section 4 regarding the acceptance of gifts. Mr. Wilson stated he will revise and circulate to the Directors for their review. Director Watson requested that if there is a meeting between a Director and a consultant where District business is discussed, that they present the discussion at the following Board meeting. Mr. Wilson stated that any request that would cause a consultant to use time be brought to the Board's attention.

Director Babers inquired about reviewing consultant reports. He suggested adding verbiage to the Ethics Policy that states at the beginning of the fiscal year, the Board will review all consultant contracts. Extensive discussion ensued regarding the timing of reviewing consultant contracts.

Upon motion by Director Babers, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board voted 2-3, to revise the Ethics

Policy to read that the consultant contracts will be reviewed annually. The motion failed due to lack of majority.

Director Smith dropped off the call at this time.

Directors Babers expressed his concerns of conflict of interest with President Smalls acting as both a Director and a consultant. Extensive discussion ensued. President Smalls directed Director Babers to the General Manager contract which clearly outlines the bounds and responsibilities.

Director Smith rejoined the call at this time.

9. Review Consultant Contracts and take any necessary action. This item was discussed during the previous agenda item.

10. Adjournment/Future Agenda Items. It was discussed that February meeting dates will be February 3rd and February 17th at 11:30 a.m.

Director Watson stated he will send an email to the Directors listing upcoming events for the Board to attend. Director Smith inquired about a virtual tour of the building.

Discussion ensued regarding potential lighting and security cameras in the entertainment hub within the district.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
THE MEETING WAS ADJOURNED.


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The foregoing minutes were passed and approved by the Board of Directors on February 3, 2021.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

