

MINUTES OF MEETING OF BOARD OF DIRECTORS  
February 24, 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 February 24, 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. Matthew Kelley of MK Engineering (“MK”), engineer for the District; Mr. Reginald Wilson and Ms. Meghan Koett of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District; Mr. Byron Thurmond of BGT, and Mr. and Mrs. LeMelle, residents of the Morningside subdivision within the District; and Ms. Yvonne Walters and Ms. Rene Gregory, residents of the Brunswick Meadows subdivision within 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 Watson opened the meeting with a prayer.

**2. Public Comments.** Mrs. LeMelle stated that the last minutes to be posted to the District website was from August 4, 2020. She also inquired about the job positions for the District building and when/where the descriptions would be posted. President Smalls stated that the position descriptions were approved at the last meeting. She stated that the descriptions will be posted on the District website and be placed in next month’s water bill.

Director Smith joined the call at this time.

Mr. Wilson stated that NRF has recently taken over as legal counsel for the District and it is taking time to update minutes to the website.

Mr. LeMelle inquired about Detention pond progress. President Smalls stated detention pond progress will be discussed in the engineer's report.

Director Babers inquired about receiving revised minutes. President Smalls stated revised minutes will not be sent out per the Board's vote. Director Babers made a motion to view final versions of any minutes discussed at meetings including the edits, but the motion failed due to lack of a second.

**3. Review Operator's Report and authorize necessary repairs.** Mr. Brown did not attend the meeting and there was no report to present.

Mr. Wilson stated that the Governor Abbot passed an order, through the Public Utility Commission, stating that water districts not allowed to terminate services, assess late fees, or send out fees for delinquent letters. Mr. Wilson recommended that the District complies with the order until it is terminated.

President inquired about providing some type of relief to residents who have had burst pipes. Mr. Wilson stated that district operators are working on creating industry standards regarding relief to customer bills. The Board decided to table this discussion until the end of the meeting to discuss options with Mr. Brown.

**4. 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 reported on Morningside Place storm sewer improvements. He stated he met with Harris County Flood Control following the last meeting to review projects, status, and plans moving forward. He stated that Harris County Flood Control needs Board approval to lower the pond water elevation by two feet, which would also require an additional geotechnical investigation to verify that such lowering would not affect the surrounding homes.

Mr. Kelley reviewed rehabilitation options for the Morningside Place section one pond. He described the characteristics for envirogrid and flexamat.

Mr. Kelley reported on the emergency pump station at Morningside Place. Director Watson inquired about need for approval from the Texas Commission on Environmental Quality. Mr. Kelley stated it was not required.

Mr. Kelley reviewed the Old Dominion Freight Line feasibility study with the Board. He stated he does not see any issue with servicing them. Mr. Kelley reminded the Board that they are only asking for water at this time for domestic use and backup for fire suppression. Mr. Kelley stated he can send a private line or extend a public line. He said Old Dominion Freight Line is an out-of-district customer. Mr. Kelley stated that the Board can discuss further at next month's meeting.

Mr. Kelley reviewed service requests, see *Exhibit B*. Mr. Kelley reported on the Asian massage center. He stated he has not received any requested information and that the

business is currently open and operating. Mr. Kelley stated the building has a single meter that provides water to four active businesses. Mr. Wilson stated he recommends sending an additional letter to the tenants and the landlord with a final date of March 2, 2021 to pay the fines and fees.

Mr. Kelley reviewed a capacity commitment letter with the Board for Starbucks.

Mr. Kelley reported on the Hotel in Mega Energy. President Smalls stated she prefers to let them know that they only have six connections reserved for the area that that is all they can use.

Mr. Kelley provided updates on the District Meeting Building, see *Exhibit B*.

Director Watson inquired on the status of Apartments in Mega Energy. Mr. Kelley stated he has not heard anything at this time.

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

**5. 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*.

Director Washington inquired about the Best Trash payment being behind. President Smalls stated that a signature was missing on the check and that it has been signed today.

President Smalls stated that check 16214 is to the TCEQ for the annual regulatory assessment fee. She stated it is not a fine and is paid annually.

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

**6. Discuss General Manger Report and take any necessary action.**

President Smalls reported on various matters regarding the District Building, see *Exhibit D*.

President Smalls stated the job descriptions will be posted to the website and inserted in to next month's bills. President Smalls stated that Director Smith will create a careers page on the District website and a link to that page will be posted on the Nextdoor Application.

President Smalls provided an overview of after event actions following the winter storm. She stated that Mr. Davila turned off the interconnect with City of Houston so that the District did not need to go on a boil water notice. Discussion ensued. It was the consensus of the Board to provide Mr. Davila a letter of recognition and a \$50 gift card to show appreciation.

Director Washington inquired about security cameras. Mr. Thurmon provided an update stating that the new cameras are dome shaped and vandal proof that will last longer.

Upon motion by Director Watson, seconded by Director Washington, 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 and to proceed with providing Mr. Davila a letter of recognition and a \$50 gift card.

**7. Review and Approve Security Plan.** This item was tabled

**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 E*.

Mr. Wilson stated revisions were made to Section 4 of the policy regarding the acceptance of gifts. Discussion ensued regarding the revisions. Mr. Wilson stated that he and Ms. Koett reviewed the audio recording of the January's meeting, and only Section 4 edits were approved by the majority of the Board.

Director Babers stated that he thinks it would be in the best interest of the Board to consider a conflict of interest policy for all employees for the District and to consider creating a formal program. Discussion ensued. President Smalls recommended discussing this item under future agenda items.

Upon motion by Director Watson, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the revised Ethics Policy.

**9. Committee Progress Reports.** Each Director provided a progress report regarding their committee.

Director Babers stated he started the process of reviewing the District's rate order, and he will be reaching out to each consultant individually to discuss separate sections of the rate order.

Director Watson stated he has been in contact with AWBD. He also mentioned that the AWBD login is down due to loss of power. Mr. Wilson noted AWBD sent out an email stating that registration will be delayed throughout the rest of the day and will resume February 25<sup>th</sup> at 10:00 a.m.

Director Smith reviewed a customer report with the Board. She also reviewed, with detail, items she plans to add to the District website. She mentioned that the document is a work in progress and can be revised to reflect the Board's input. Director Babers recommended adding a "Fun Facts" section. President Smalls noted that she has a web link for interactive games that could be added. Extensive discussion ensued.

Director Washington provided an update on the detention ponds. He stated he plans to contact the Home Owners Associations in different communities regarding park opportunities for the District. Director Watson inquired about the District boundary signs. Director Washington stated he has no update at this time and will follow up with Mr. Brown.

**10. Review Consultant Contracts and take any necessary action.** There were no contracts to review at this time. This agenda item was tabled.

**11. Adjournment/Future Agenda Items.** It was discussed that March meeting dates will be March 3<sup>rd</sup> and March 17<sup>th</sup> at 11:30 a.m.

Director Watson requested adding an agenda item to the next meeting to discuss options for relief to customer water bills due to Mr. Brown's absence.

Director Watson suggested inviting the business owner from Urban Air to the next meeting to discuss lighting and security cameras. President Smalls stated she would prefer to get all the information from the Sergeant and Deputies at the scene before asking the business owner to join the meeting. The Board concurred.

Director Babers recommended continuing to discuss "After Actions" regarding the winter storm to determine how the District can improve its communication for future events. He stated that he would like to add an agenda item for March's second meeting.

Director Babers also recommended adding an agenda item to discuss creating conflicts of interest policies regarding Directors and employees of the District. President Smalls stated that she would like Director Babers to provide clarity in writing proposing what he would like to be done and what he wishes to accomplish. She stated he then can present his recommendation to the Board to determine whether this is something the Board would like to do. Mr. Wilson stated that the current ethics policy and the affidavit signed by each Director address Director conflicts of interest.

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

\* \* \*

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

*Shawn Smalls*

\_\_\_\_\_  
President, Board of Directors

ATTEST:

*Beth Shashinester*

\_\_\_\_\_  
Secretary, Board of Directors

