

MINUTES OF MEETING OF BOARD OF DIRECTORS
June 16, 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 June 16, 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, except Director Smith, thus constituting a quorum. Also attending all or parts of the meeting were Mr. Matthew Kelley of MK Engineering (“MK”), engineer for the District; Mr. Laney Brown of Si Environmental, LLC (“Si”), operator of the District’s facilities; and Mr. Reginald Wilson and Ms. Meghan Koett of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District; and Ms. Julie Thornton of Ted A. Cox, Attorney at Law, District Tax Attorney 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. Review Operator’s Report and authorize necessary repairs.** Mr. Brown reported that all facilities are operating with no issues.

Director Watson joined the call at this time.

Mr. Wilson stated the City of Houston has reached out to the District regarding the use of more water than the contracted amount. He stated the City of Houston is looking for a short term plan which will immediately get the District back in contract usage as well as a long term solution to prevent exceeding amounts in the future. Extensive discussion ensued. President Smalls suggested shutting off water received from the City of Houston for a short period of time and use ground water. Mr. Kelley suggested meeting with the Subsidence District to request an increase in credited gallons.

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 reviewed the CIP stating there are no changes.

Mr. Kelley reported on Morningside Place storm sewer improvements stating he is waiting on revised plans.

Mr. Kelley reviewed rehabilitation options for the Morningside Place section one pond. He stated he is still working on gathering comparison information of the different options.

Mr. Kelley stated he is still awaiting a response from Old Dominion Freight Line and is hoping to receive information on how to proceed by next month's meeting.

Mr. Kelley reviewed service requests, see *Exhibit B*. Mr. Kelley stated he is currently reviewing plans for Spoiled Rotten Beauty Bar.

Mr. Kelley reported on the NPH Phase II Detention Pond one year warranty review stating they are in the process of working on a revised design for overflow.

Mr. Kelley provided updates on the District Meeting Building, see *Exhibit B*. Mr. Kelley stated he recommends issuing a letter to the contractor regarding the fence delays.

Mr. Kelley stated he is finalizing the lift station evaluations and will discuss at the July meeting.

Mr. Kelley stated the Water plant no. 1 booster pump building structural evaluation was completed last week and he is currently working on the report.

Mr. Kelley reported on the Storm water Quality Permit 2021 Renewal. He stated if the permit is tied to a District facility, there is no fee for renewal. Mr. Kelley stated the Board may switch from pump sedimentation pond to the floatable collection screen and there will be no need to renew the permit. Discussion ensued.

Mr. Kelley provided an updated on the City of Houston record request.

Mr. Kelley reported on the Mega Energy Development stating they are requesting a one year extension on the capacity commitment due to architect and engineering issues. He said the capacity commitment is due to expire July 22, 2021.

Director Washington inquired about the summary of water plant updates. Mr. Kelley stated he will include the options for each plant again in next month's report.

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 (i) accept the engineer's report; (ii) authorize Engineer to send a letter to the contractor regarding fence delays; (iii) to renew the Stormwater Quality Permit; and (iv) to deny extension to the capacity commitment for Mega Energy Development.

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*.

It was noted that fees are missing for the flood control meeting.

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 approve the supplemental bookkeeper's report.

6. Discussion with Delinquent Tax Attorney regarding an update on delinquent accounts. Ms. Thornton presented and reviewed the delinquent tax report, a copy of which is attached hereto as *Exhibit D*. Ms. Thornton stated she is needing guidance from the Board on how to proceed with certain property accounts.

Ms. Thornton reviewed delinquent real property and personal property accounts with the Board. Extensive discussion ensued. The Board provided guidance on how to proceed with each account.

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 (i) accept the delinquent tax attorney report; (ii) to write off the specific accounts discussed in the report; (iii) to begin lawsuits and take ownership of all the properties listed under Fellows Eight Dev. Ltd., if necessary; and (iv) to send additional letters to outstanding properties.

7. Discuss Municipal Setting Designation resolution and take necessary action. Mr. Wilson presented and reviewed the Resolution Opposing Municipal Setting Designation, a copy of which is attached hereto as *Exhibit E*. Discussion ensued.

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 approve the resolution.

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

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

President Smalls stated she has discussed with Sgt. Roe about removing extraneous data from the security report.

9. Committee Progress Reports. There was nothing to report at this time.

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 July meeting dates will be July 7th and July 21st at 11:30 a.m.

Director Babers discussed consideration of using Uber Eats for lunch at future virtual meetings.

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 May 5, 2021.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

