

MINUTES OF MEETING OF BOARD OF DIRECTORS
October 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 October 20, 2021, at 11:30 a.m. via teleconference. 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, 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. Carlos Smith and Mr. Laney Brown, of Si Environmental, LLC (“Si”), operator of the District’s facilities; 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. Nick Dhanani, Developer in the District.

In accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as Exhibit “A,” the following business was transacted:

Call to Order. Mr. Wilson called the meeting to order.

1. Opening Prayer. Director Washington opened the meeting with a prayer.

2. Authorize teleconference meeting: Board finding of existence of emergency or public necessity making the convening at one location of a quorum of the government body difficult or impossible and permitting a meeting by teleconference pursuant to Section 551.125 of the Texas Open Meetings Act. Upon motion by Director Smith, seconded by Director Washington, after full discussion and the question being put to the Board, the Board voted unanimously to find the existence of an emergency or public necessity, i.e., Delta variant of COVID-19, making the convening at one location of a quorum of the government body difficult or impossible and permitting a meeting by teleconference pursuant to Section 551.125 of the Texas Open Meetings Act.

3. Public Comments. Mr. Dhanani inquired about the bond issuance and a possible timeline for completion. Mr. Kelley stated NPH has been informed they are expected to submit their information within the next 30 days. Discussion ensued.

Director Watson joined the meeting at this time.

Mr. Thurmond reported on security within the District stating cameras that went out over the last 60 days have been replaced.

4. Review Operator's Report and authorize necessary repairs. Mr. Smith stated he did not have a formal report for the meeting. Mr. Smith reported on the blower at the sewage treatment plant stating it was down for a few weeks but has since been repaired.

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 he will provide an update on Morningside Place storm sewer improvements at next month's meeting.

Mr. Kelley stated he is still awaiting a response from Old Dominion Freight Line.

Mr. Kelley stated he is currently working on preliminary information for the bond application report for 2021 and that the number have not been finalized at this time.

Mr. Kelley reported on the Subsidence District and City of Houston water usage. He stated the Subsidence District has extended the amendment up to 150 million which means the District will need to provide an additional 79 student sponsorships. Mr. Kelley stated he has a meeting with the City of Houston tomorrow afternoon to discuss pressure readings and meter errors at water plants no. 1 and no. 2 and what the expectations are moving forward.

Mr. Kelley stated he will discuss the SCADA system at the second November meeting.

Mr. Kelley stated he was approached by a consultant for Topper Sales. He stated they were interested in receiving services. Mr. Kelley stated there was no capacity to give at the moment but would keep the consultant updated.

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 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 Babers, 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 presented and reviewed a copy of the General Manager's Report, a copy of which is attached hereto as *Exhibit D*.

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

President Smalls discussed employees for the District Building stating two candidates fit the qualifications and she will be moving forward with hiring of both individuals.

President Smalls discussed hiring a cleaning company to compete after construction deep cleaning. She stated moving forward, the building staff will complete the daily upkeep. Upon motion by Director Watson, seconded by Director Smith, after full discussion and having had the question put to the Board, the Board voted 4-0 to authorize President Smalls to hire a company to deep clean the District building. President Smalls abstained.

President Smalls stated there is a need for installation of a phone jack in the conference room.

Discussion ensued regarding the building defects at water plant no. 1. Mr. Kelley stated the structural engineer will seal up the cracks and monitor it. Mr. Smith stated his maintenance group will review the cracks and report back.

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

8. Discuss Commercial Water Rate and take any necessary action. President Smalls stated this agenda item is tabled and will be discussed at next month's meeting so that she is able to review the numbers in more detail.

9. Committee Progress Reports. Director Babers provided input from a conference he previously attended regarding rate orders. Discussion ensued.

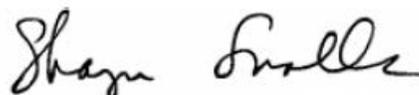
10. Review Consultant Contracts and take any necessary action. There were no contracts to review at this time. This agenda item was tabled.

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

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 November 3, 2021.



President, Board of Directors

ATTEST:

Ruth Shashmeister

Secretary, Board of Directors

