

CORREMINUTES OF MEETING OF BOARD OF DIRECTORS
November 3, 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 November 3, 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
A.K. Babers, Assistant Secretary
Byron Keith Watson, Sr., Investment Officer

All members of the Board were present, thus constituting a quorum. Ms. Isabel Mata and Mr. Vick Gilmore of Wheeler & Associates (“Wheeler”), tax assessor and collector for the District; Ms. Natalie Galgano of Municipal Accounts & Consulting, L.P. (“MAC”), bookkeeper for the District; Mr. Carlous Smith, Mr. Laney Brown, and Mr. Mike Thornhill of Si Environmental, LLC (“Si”), operator of the District’s facilities; Mr. Matthew Kelley of MK Engineering (“MK”), engineer for the District; Mr. Ben Childress of Environmental Allies; Mr. Reginald Wilson and Ms. Meghan Koett of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District; Ms. Victoria Lastee, Ms. Lashonda Finelle, and Ms. Dee Walker, Residents of the Districts; and Sergeant Roe with Harris County Constable, Precinct No. 7; Ms. Christie Leighton with Best Trash; and Ms. Linda Carter, Building Manager for 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 Watson 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 Watson, 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.** Ms. Finelle stated she is still experiencing issues with her water. Mr. Smith stated that the chlorine residual levels at the water wells have increased and are being monitored. Mr. Thornhill stated that residual adjustments at the plant have just started and it will take time to travel throughout the District. Mr. Smith explained to Ms. Finelle how to properly flush her lines internally.

Director Smith joined the call at this time.

Ms. Lastee inquired when the District administration building will be open to the public. President Smalls stated the contract is currently finishing up punch list repair items.

President Smalls stated a Town Hall meeting will be held on November 11th and the purpose of the meeting is to give District information and take any questions the residents may have.

4. Report By Harris County Constable, Precinct No. 7. Sgt. Roe presented and reviewed the security report, a copy of which is attached hereto as *Exhibit B*, reported on various activity throughout the District.

Sgt. Roe reported there were a large number of security checks.

Sgt. Roe provided clarification regarding the different welfare checks. Discussion ensued regarding mental cases in the District and mental health certified officers.

Director Washington inquired an update regarding security action at Urban Air. Sgt. Roe stated due to an increase in school events, Urban Air has not been as busy and no major incidents have occurred as of recent.

Upon motion by Director Washington, seconded by Director Watson, after full discussion and the question being put to the Board, the Board voted unanimously to approve the security report.

5. Review Bookkeeper's Report and authorize payment of bills. Ms. Galgano presented to and reviewed with the Board the Bookkeeper's Report, the Investment Report, and the Operating Budget, copies of which are attached hereto as *Exhibit C*.

Ms. Galgano reported that the transition from BBVA to Central Bank has started and that activity in the BBVA accounts should lessen moving forward.

Ms. Galgano reviewed cash flows and account balances for all funds.

Ms. Galgano presented checks 17063-17096 for Board approval.

Ms. Galgano reported that the next debt service payment is not due until April 1, 2022.

Ms. Galgano reviewed the annual electricity report.

Director Watson inquired about the investment rates. Ms. Galgano stated capital projects money is not allowed to be invested in Certificate of Deposits which is why the interest rates vary. Ms. Galgano stated the District is limited on where to put money.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to authorize payment of the checks in the report and for the purposes listed therein, and to approve the Investment Report.

6. Detention Facilities Report. Mr. Childress presented to and reviewed with the Board the Detention Facilities Report, a copy of which is attached hereto as *Exhibit D*. Mr. Childress reported on the March maintenance at Brunswick Meadows, Brunswick Lakes, Morningside Place, Brunswick Lakes Channel, Morningside View, and the STP pond.

Mr. Childress informed the Board the Mr. Zarruk has been deployed with the Nation Guard and will be out for the foreseeable future.

Upon motion by Director Washington, seconded by Director Smith after full discussion and the question being put to the Board, the Board voted unanimously to approve the detention facilities report.

7. Trash Services Report. Ms. Leighton reported that trash and recycling services will not be effect by the upcoming holidays and normal service will continue.

8. Security at District Facilities. This agenda item was deferred.

9. Review report by Tax Assessor and Collector's Report and authorize payment of certain bills. Ms. Mata presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as *Exhibit E*.

Ms. Mata reported that 99.74% of the District's taxes have been collected as of October 31, 2021. She also reported that .02% of 2021 taxes have been collected.

Ms. Mata discussed delinquent accounts and presented and reviewed the delinquent tax report provided by the Delinquent Tax Attorney, a copy of which is attached hereto as *Exhibit F*.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor and Collector's Report, to authorize payment of check nos. 4061 through 4070 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report, and to proceed with water termination of the two delinquent accounts.

10. Review and approve Operations Report and authorize repairs. Mr. Smith presented to and reviewed with the Board the Operations Report, a copy of which is attached hereto as *Exhibit G*.

Mr. Smith reported that the District's accountability for the month is 101.44%.

Mr. Smith reported on two overflows in the District. He stated both took place on September 17th, the line was cleared and the area was disinfected.

Mr. Smith reviewed the outstanding delinquent customers and inquired if the Board would like to proceed with disconnection on November 16th. Discussion ensued regarding termination of delinquent accounts.

Mr. Thornhill stated he will speak with President Smalls regarding updating the emergency preparedness plan.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report and to proceed with termination of delinquent accounts.

11. Review Engineer's Report. Mr. Kelley presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit H*.

Mr. Kelley reported on the Morningside Place storm sewer improvements with Harris County Flood Control District, the Morning side Place Section One pond rehabilitation options, and the emergency outfall to Cullen Boulevard. He stated the agreement is being finalized and preparing for signatures.

Mr. Kelley reported on the lift station rehab project stating he is working on the design package for advertising and will present once ready.

Mr. Kelley stated he is working on the preliminary information for the bond application report.

Mr. Kelley reported on the Subsidence District and City of Houston usage. He stated he met with the City of Houston to review expectations. Mr. Kelley state he reviewed the pressure readings and that the City of Houston continues to have pressure spikes even when the District is not taking water.

Mr. Kelley discussed District surface water meters.

Mr. Kelley reported he is contacting the supplier to receive more information regarding the water supply analyzers.

Upon motion by Director Washington, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report as amended.

Director Babers dropped off the call at this time.

12. Discuss Commercial Water Rate and take any necessary action. This agenda item was tabled and will be discussed at next month's meeting.

13. Approve Minutes of October 6, 2021 and October 20, 2021 Meetings. Consideration was given to the approval of the minutes of the meetings October 6, 2021 and October 20, 2021.

Upon motion by Director Watson seconded by Director Washington, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of October 6, 2021 as amended.

Upon motion by Director Washington, seconded by Director Watson, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of October 20, 2021 as presented.

14. Discuss solar energy initiative and take any necessary action. This item is tabled and will be discussed at the next meeting.

15. **Review Consultant Contracts and take any necessary action.** This agenda item was tabled for this meeting.

16. **Adjournment/Future Agenda Items.** There were no future agenda items to discuss.

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 December 1, 2021.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

