

MINUTES OF MEETING OF BOARD OF DIRECTORS
April 6, 2022

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 April 6, 2022, at 11:30 a.m. at 3455 Fellows Rd, Houston, TX 77047 and 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 of Wheeler & Associates (“Wheeler”), tax assessor and collector for the District; Mr. Carlous Smith and 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; Mr. Stephen Hamilton of Environmental Allies; Mr. Reginald Wilson, Ms. Meghan Koett, and Ms. Kaity Malek of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District; Ms. Kandy Pfeffer of Elite Bookkeeping LLC, bookkeeper for the District; Ms. Christie Leighton of Best Trash; Ms. Linda Carter, Building Manager for the District. Mr. Dustin Hannah, Mr. Lue Berra, and Mr. Beau Reinberg, Ms. Tara Fase and Ms. Lashonda Finnel, residents of the District; Mr. Hasan Ali and Mr. Prashant Malik of APM Engineering & Design LLC, 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 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.** Mr. Hannah stated he has a client who is looking at potential development within the District. Mr. Reinberg provided a background of his storage facility company. He stated he is aware that the District does not currently have capacity to serve but would like to remain informed of the progress with capacity.

Director Smith joined the meeting at this time.

Ms. Fase inquired about the emergency alert system. Director Smith stated it is up and running and the addresses need to be updated. She said a test was completed in February 2021.

Ms. Fase inquired about the budget regarding telephone expenses. President Smalls stated there are automated systems at the facilities as well as phone lines at the District building. Discussion ensued.

Mr. Ahsan notified the Board of the intent to open the smoke shop. Mr. Malik stated that the insurance company will also be opening soon. Discussion ensued regarding the rules and guidelines of the law. Mr. Malik acknowledged the rules and guidelines. The Board found no issues with the smoke shop and insurance company opening for business.

4. Review Bookkeeper's Report and Investment Report and authorize payment of bills. Ms. Pfeffer 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 B*.

Ms. Pfeffer provided a summary of all accounts.

Ms. Pfeffer presented checks for Board approval.

Ms. Pfeffer reviewed the investment report.

Discussion ensued regarding check 17379 to PNC for a collection fee.

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 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.

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

Discussion ensued regarding trash at various ponds and the lack of cleaning.

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 detention facilities report.

6. Security at District Facilities. President Smalls stated there are ants around the camera and a solution will be discussed at the next meeting.

7. Trash Services Report including CPI Increase. Ms. Leighton presented and reviewed the Best Trash CPI Increase Letter, a copy of which is attached hereto as *Exhibit D*. She stated it is a \$0.71 increase which will be effective the April 2022 billing cycle.

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 CPI Increase.

8. 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 presented 15 checks and two wires for Board approval.

Ms. Mata reported that 97.16% of the District's taxes have been collected as of March 31, 2022.

Upon motion by Director Watson, 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 and to authorize payment of checks from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

9. 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 F*.

Mr. Smith reported that the District's accountability for the month is 98.55%.

Mr. Smith reviewed the outstanding delinquent customers. Discussion ensued regarding termination of delinquent accounts.

Mr. Smith reviewed a list of accounts recommended to be sent to collections. Discussion ensued regarding a minimum dollar amount to send to collections.

Mr. Smith stated there were no red flag violations to report.

Mr. Smith reviewed a copy of the draft consumer confidence report which will be distributed out in June.

Mr. Smith stated that the installation of water meters by Southern Flow Meters is a 6 to 8 week time frame.

Upon motion by Director Watson, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, to proceed with termination of delinquent accounts, and to send the accounts over \$30 to collections.

10. 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 G*.

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 he is waiting on the finalized interlocal agreement for signatures.

Mr. Kelley reported on the lift station rehab project stating once approval is received from the various agencies he will approach the Board for authorization to advertise bid.

Mr. Kelley stated he is working on the preliminary information for the bond application report and has received confirmation from developer that all documents have been

submitted. Mr. Kelley reviewed reimbursement amounts for Cullen Beltway and NPH. He stated the total is 3.22 million. Discussion ensued.

Mr. Kelley reported on various items regarding the District meeting building, see *Exhibit G*.

Mr. Kelley reported on the Subsidence District and City of Houston usage. He stated he will reach out to Newport MUD regarding a GRA agreement.

Mr. Kelley stated that the water plant evaluations took place last week and he will report the findings at a future meeting.

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.

11. Approve Minutes of March 2, 2022 and March 16, 2022. This agenda item was deferred and will be reviewed at the second April meeting.

12. Review Consultant Contracts and take any necessary action. This item was tabled.

13. Adjournment/Future Agenda Items. Mr. Wilson announced that Ms. Koett is going to be transitioning away from the District and Ms. Kaity Malek will be the District's paralegal moving forward.

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 4, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

