

MINUTES OF MEETING OF BOARD OF DIRECTORS

July 20, 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 July 20, 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
AK Babers, Assistant Secretary
Byron Keith Watson, Sr., Investment Officer

All members of the Board were present, except Director Babers, thus constituting a quorum. Also attending all or parts of the meeting were Mr. Carlos Smith and Mr. Laney Brown, of Si Environmental, LLC (“Si”), operator of the District’s facilities; Mr. Reginald Wilson and Ms. Kaity Malek of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District; Ms. Juanita Williams, Building Manager for the District; Deputies O. Urbina and M. Rodriguez with Constables Office. Ms. Victoria Lastee and Mr. Mike Smith, residents of 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. Public Comments. Ms. Lastee inquired about the reimbursement of late fees for five HOA water bills . She stated that these accounts are on auto-draft therefore should not be charged late fees. She stated that the account holders have been in contact with Si regarding this issue but also wanted to bring it to the Boards attention as well.

Ms. Lastee inquired about the repair timeline for aerator #1. Mr. Smith stated that Si has looked into the issue and found that all aerators are working but will go out again for further review of aerator #1 to find the issue. Discussion ensued. President Smalls requested that Director Washington accompany Mr. Smith to verify the outage.

Ms. Lastee inquired about the District’s notification system that was discussed in the previous month’s meeting. She stated that she would like the Board to look into having a notification system for not only emergencies but for non-emergencies as well.

Ms. Lastee wanted to follow up on the progress of the Administrations building parking lot. Director Smalls stated that the parking lot is complete and that there are a few more items to complete before everything is finished.

3. Report by Harris County Constables, Precinct No. 7. Deputy Rodriguez presented to and reviewed with the Board the Constable Report for the month of June 2022, a copy of which is attached hereto as Exhibit B.

Director Smith joined the meeting at this time.

He noted that the officers responded to 1,420 calls for service. He stated that the top calls were for catalytic converters. He reported on the major incidents during the period. He then reported on incidents of petty crime. Discussion ensued. There are several inoperable and/or abandoned cars in Brunswick and they will tag the car for 48 hours before towing. If car has moved then the clock restarts. Discussion ensued.

4. Trash Service Report. Ms. Leighton presented to and reviewed with the Board the amended Best Trash Proposal for a Temporary Fuel Recovery Fee, a copy of which is hereto attached as Exhibit B. She stated that the trucks get three miles to the gallon and travel 504 miles a week within the District. Extensive discussion ensued regarding the new fuel fee pricing. Upon motion by Director Washington, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted to approve the Temporary Fuel Recovery Fee proposal.

5. Review Interlocal Agreement with Harris-Galveston Subsidence District and take any necessary actions. Mr. Wilson presented to and reviewed with the Board a copy of an Interlocal Agreement between the Harris-Galveston Subsidence District and the Authority, a copy of which is attached hereto as *Exhibit D*. Mr. Wilson explained that under the Interlocal Agreement, the District commits to buy Water Wise kits for 3,000 students to teach them about water conservation. Mr. Wilson discussed with the Board the credits that would be gained from entering into this agreement.

Mr. Wilson further discussed with the Board that the City of Houston reached out and asked if the District would be interested in joining the Groundwater Reduction Program. He stated that if the District joins this program then it would fix the water issue that is currently happening. Extensive discussion ensued regarding both the Interlocal Agreement and the Groundwater Reduction Program. Director Watson stated that he would like to have an indemnification clause included in the Interlocal Agreement. It was the consensus of the Board to further discuss this at the next meeting.

6. Review Operator's Report and authorize necessary repairs. Mr. Smith stated that there is no formal report for this meeting.

Mr. Smith reported that Si is currently waiting on the cuplinks to arrive for the forcemain.

Mr. Smith reported on the aerator repairs, stating that he will get in contact with the tech for the repairs.

Mr. Smith stated that he will have someone spot check the areas for more ants and put down treatment to kill them.

Mr. Smith stated that Si is still working on scheduling the meter turn-on's with the City of Houston.

7. Review Engineer's Report and take any necessary actions. President Smalls presented and reviewed the engineer's report, a copy of which is attached hereto as *Exhibit B*.

Mr. Kelley reported that the Morningside advertising and bidding will be set in a couple of months.

Mr. Kelley reported that MK is waiting on the COH approval for the lift station. Once approved then advertising can begin. Discussion ensued.

Mr. Kelley stated that the bond application report should be ready for presentation by the August meeting.

Mr. Kelley reported that Iron Access should be done with the District meeting building in a couple of weeks.

Mr. Kelley discussed with the Board the potential tanks that would be built in the District. He stated that if the District moves forward with entering into the COH Groundwater Reduction Plan then there will be no need for the tanks.

Mr. Kelley presented to the Board options for upgrading Water Well #1. He stated that due to the project exceeding \$75,000 this will need to be set for advertising and bidding. Extensive discussion ensued regarding construction time and replacement options.

President Smalls reported on the District mowing stating that she has reached out to two companies and but needs a breakdown packet to present.

Upon motion by Director Smith, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board to approve the Engineer's Report.

8. Review Supplemental Bookkeeper's Report and take any necessary action. Director Smalls reviewed a copy of the supplemental bookkeeper's report, a copy of which is attached hereto as *Exhibit C*.

The Board extensively discussed the contract with Elite Bookkeeping LLC.

President Smalls presented 18 checks for Board approval. Discussion ensued regarding the checks presented.

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 excluding the Investment Report, to authorize payment of the expenditures listed therein and request NRF to send out RFPs.

9. Discuss General Manager 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 the CoH meter installation. She stated that 2 meters were installed but is still waiting on information regarding flow detection meters.

President Smalls reported that there will be a Women's Business Forum held at the administration building on October 22, 2022.

President Smalls reported on a leak in the building, stating that a drain overflowed and that she is seeking a new plumber to address the issue. Mr. Kelley and Mr. Smith discussed having Si come out to televise the line and see if there is an obstruction. Discussion ensued.

President Smalls stated that she will potentially be hiring a new cleaning company to take care of the administration building. She stated that she is working with a company at the moment and will bring a contract for review and approval to the next meeting should she move forward with them.

Upon motion by Director Watson, seconded by Director Smith, after full discussion and having had the question put to the Board, the Board voted 3-1, with President Smalls abstaining, to approve the General Manager's report.

10. Committee Progress Reports. Director Smith inquired if the emergency alert system tests were received by the Directors. She discussed with the Board the non-emergency alert system and the reasons for not moving forward with one at this time.

Director Washington discussed with the Board a tree that needs to either be trimmed or removed that has grown on the fence line of the District's pond.

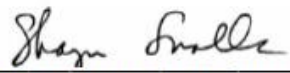
Director Watson discussed with the Board the Water Environment Federation's Technical Exhibition and Conference which will be held in New Orleans on October 8 thru October 12, 2022.

11. Adjournment/Future Agenda Items. There was nothing further to report.

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 August 3, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

