

MINUTES OF MEETING OF BOARD OF DIRECTORS

August 17, 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 August 17, 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 for Director Smith, 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; Ms. Suzanne Villarreal of McCall Gibson Swedlund Barfoot PLLC (“MGSB”), auditor for the District; Mr. Byron Thrumond of BGT; Deputies O. Urbina and M. Rodriguez with Constables Office; Ms. Rhonda Harrison, Mr. Mike Smith and Mr. Tahir Charles, 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.** President Smalls called the meeting to order.

**1. Opening Prayer.** Director Watson opened the meeting with a prayer.

Director Baber’s joined the meeting at this time.

**2. Public Comments.** Mr. M. Smith inquired about the District sponsoring a night out event. President Smalls stated that the District will be hosting an event on October 4, 2022 and will be sending out the information to the community through each HOA.

Mr. M. Smith then inquired about the District’s well pump and the usage of City water or the District’s well water. Mr. C. Smith stated that the District is on 100% well water at this time due to the COH metering issues but the District is still having to pay the City a base rate. Extensive discussion ensued regarding the District facilities, well pumps and the meter readings.

Mr. Charles inquired about the Brunswick Meadows manholes and sidewalk repairs. Mr. Kelley stated that the manholes are not faulty at this time and are not requiring repairs. President Smalls stated that the sidewalk and the portion around the manholes are not the District’s responsibly but are the responsibility of the HOA. She stated that all of the other HOA’s repair their own sidewalks. Mr. Wilson stated that the District is not, by law, in charge of anything outside

of water, sewer, and drainage. Extensive discussion ensued. President Smalls stated that at this time the District will not be offering financial assistance to help repair the sidewalks within the neighborhoods at this time, having already extended \$180,000 in assistance to Brunswick Meadows and Brunswick Lakes by constructing sidewalks on Scott Street to protect the neighborhood school bus children.

**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 July 2022, a copy of which is attached hereto as Exhibit B. He noted that the officers responded to 2,362 calls for service. He reported on the major incidents during the period. He then reported on incidents of petty crime. Deputy Rodriguez stated that deputies are focusing on being present and making contact with residents to build community support. Discussion ensued. Upon motion by Director Watson, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board to approve the Constables report.

**4. Trash Service Report.** There was nothing to report.

**5. Approve Audit for Fiscal Year Ending March 31, 2022.** Ms. Villarreal presented to and reviewed with the Board the audit for fiscal year ending March 31, 2022, a copy of which is attached hereto as *Exhibit C*. Ms. Villarreal stated that the District was issued a clean, unmodified opinion. She reported on the expenditures and revenues within the fiscal year. Ms. Villarreal reviewed the five year comparative schedule of revenues and expenses. Ms. Villarreal stated that there is nothing significant with the outstanding billing that will alter the audit. 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 draft audit as presented.

**6. Review Operator's Report and authorize necessary repairs.** Mr. Smith presented to and reviewed with the Board the Operations Report, a copy of which is attached hereto as Exhibit D.

Mr. C. Smith reported that the Well #1 driveway repair is underway. He stated that he received a quote to have all the asphalt broken out from the street to the building, have it hauled off, concrete repoured and landscaping done for \$5,045.50. President Smalls inquired about the thickness of the concrete due to the heavy machinery coming and going from the site. Discussion ensued. Mr. C. Smith stated that Si will rebid for another proposal for comparison.

Mr. C. Smith reported that the Well #2 fencing is being modified to close the gaps between the posts. He stated that the new fence will have a three inch flatbar cut to size and welded into place between the posts to prevent any access through the fencing. He stated that this repair will be \$2,875. Discussion ensued regarding the different ways to better prevent access.

Mr. C. Smith reported on the fountain status at Morningside Place, stating that Si is waiting to hear from lake management services to get an update on the possible repairs or replacement of the aerators. He stated that he did however receive an email from them stating that the motor was pulled and sent to the factory for further review.

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 Operator's report.

**7. 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 E*.

Mr. Kelley reported that the Morningside advertising and bidding will be set to begin at the end of the year. Mr. Kelley discussed the current suit that is tying up the ponds.

Mr. Kelley reported that the comment that has come back regarding the lift station is the sound of the generator which the District can enclose to reduce the noise.

Mr. Kelley reported on the meeting building, stating that the sewer issue is a combination of things. He stated that MK and Si is currently working on a long time solution to the problems. Extensive discussion ensued.

Mr. Kelley reported that Iron Access is 50% complete and that the 60 extension has run out at this time.

Mr. Kelley reported that Frost Construction has submitted a request to be reimbursed for the cost of the plumber and Frost employee's time in coordinating and investigating the issue with the drain. He stated that he will re-draft their reimbursement and present it to the Board at the next meeting. It was the consensus of the Board to not approve the reimbursement at this time and will take this document under advisement.

Mr. Kelley discussed with the Board the HGSD and COH usage, stating that the City has proposed that the District join the GRP plan but he has not received any documents at this time. Director Babers stated that time is of the essence and he would like to see this taken care of. Extensive discussion ensued.

Mr. Kelley stated that he will present proposals for Well No. 1 at the next meeting. He stated that the TCEQ has approved the emergency authorization. He stated that the design will take a few weeks to prepare and then those will be sent directly to bidders for proposals. He further reported that there is a 4-6 week lead time on the pump and motor.

Mr. Kelley stated that once Well No. 1 has been completed that MK will move forward with the rehabilitation of Well No. 2.

Upon motion by Director Washington, seconded by Director Watson, 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.** Ms. Pfeffer reviewed a copy of the supplemental bookkeeper's report, a copy of which is attached hereto as *Exhibit F*.

Ms. Pfeffer presented 18 checks for Board approval with four additional checks for refunding. Discussion ensued regarding the checks presented.

Ms. Pfeffer reported on the District's debt service funds.

Ms. Pfeffer reported on the District's investments. Extensive discussion ensued regarding the CD renewal terms.

Ms. Pfeffer reported on the District's capital projects funds.

Ms. Pfeffer reported on the current budget with the Board and the line items listed therein. Discussion ensued.

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.

**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 G*.

President Smalls reported on the CoH water quality, stating that the District has had minimal calls regarding the quality of water. She stated that over the past three months the District has received roughly 2-3 calls regarding water quality.

President Smalls reported that there will be a Women's Business Forum held at the administration building on October 22, 2022. She further stated that the District will be hosting a neighborhood night out on October 4, 2022.

President Smalls stated that the District has established a new procedure regarding the work orders that are received at the Sewage Treatment Plant.

Upon motion by Director Watson, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board voted 2-2, with President Smalls abstaining and Director Babers opposing, to approve the General Manager's report.

**10. Adopt Order Calling Director's Election.** Mr. Wilson reviewed with the Board the Order Calling Supervisor's Election, a copy of which is attached hereto as Exhibit H. Upon motion by Director Babers, seconded by Director Washington, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the Order.

Director Babers left the meeting at this time.

**11. Committee Progress Reports.** Director Washington reported on the trees that need trimming within the District. He stated that he received two quotes for tree trimming both in the amount of \$600. 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 \$600 for the District's tree trimming.

**12. Adjournment/Future Agenda Items.** Director Watson extensively discussed with the Board the lack of security in the District's administration building and the hope for having a peace keeper assigned to the Board during the meetings. Mr. Wilson suggested adding a three minute time limit to the public comments and the notation that the Board will address the public comment during the correct consultant report. He then suggested that should there be an overheated

argument then the parties involved would be asked to step out of the meeting to cool down then will be asked to re-enter. Discussion ensued.

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 September 7, 2022.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors