

MINUTES OF MEETING OF BOARD OF DIRECTORS
December 15, 2020

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 55

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 55 (the "District") convened in regular session on Tuesday, December 15, 2020 at 6:00 p.m. via teleconference pursuant to Section 551.125, Texas Gov't Code as modified by the temporary suspension of certain provisions thereof pursuant to guidelines issued by the Texas Attorney General and approved by the Governor for use during the COVID-19 statewide disaster. A roll call was taken of the persons present:

Robert L. Squires, President
Sam Longoria, Vice President
Gabriel Mendez, Secretary
Richard Klenk, Treasurer
Vacant, Assistant Secretary

All members of the Board were present in person Also attending all or parts of the meeting in person were Mr. John Norris and John Wagner, and Adam Gardner, of the Forest Bend Fire Department; Mr. Chris Wilson of Si Environmental ("Si"), operator for the District; and Mr. Nelson Gaez of Brown & Gay Engineers, Inc. ("BGE"), engineer for the District;

Attending all or parts of the meeting via teleconference were Ms. Kandy Pfeffer of ETI Accounting Services ("ETI"), bookkeeper for the District; Ms. Vicki Sullivan of Equi-Tax, Inc., tax assessor and collector for the District; Mr. Reginald Wilson and Ms. Shaila Sreedharan of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District; Mr. Scott Gray of Champions Hydro-Lawn, Inc. ("Champions"); Mr. Alton Henderson from Windsor EMS, Inc.; Ms. Lauren Smith of Public Finance Group, financial advisor for the District;

Pursuant to Section 551.054, Texas Gov't Code, as modified by the temporary suspension of certain provisions thereof, notice of the meeting was posted on the District's website within the time limits prescribed by law. A certificate of such posting is attached hereto as *Exhibit A*. The agenda packet was posted on the website as items became available in compliance with the guidelines issued by the Texas Attorney General.

Call to Order. Mr. Wilson called the meeting to order. He noted that the meeting was being held by teleconference in accordance with federal, state and county directives to slow the spread of COVID-19 by avoiding meetings that bring people together. He said the notice of the meeting included a toll-free dial-in number for members of the public to call so they can hear the meeting and address the Board. He noted that the meeting was being recorded and a recording would be available upon public request. Mr. Wilson then set out guidelines for the conduct of the meeting. Mr. Wilson turned the meeting over to President Squires.

- 1. Public Comments.** There were no public comments.
- 2. Approve Minutes** The Board considered the minutes of the November 17, 2020 meeting, copies of which was previously distributed to the Board. Upon motion by Director

Mendez, seconded by Director Klenk, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of November 17, 2020, as presented.

3. Forest Bend Fire Department Report. Mr. Wagner reviewed the runs for the month of November. He also reported on the service calls within the month and discussed the November budget activity.

The budget proposal was presented for fiscal year 2021. Mr. Wagner reviewed the items included in the budget. Discussion ensued. Upon motion by Director Klenk, seconded by Director Mendez, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Fort Bend Fire Department budget with the three percent increase.

4. Operations Report, Including Review and Approval of Maintenance Items and Delinquent Report. Mr. Wilson presented to and reviewed with the Board the Operations Report and Maintenance Report for the month of September 2020, a copy of which is attached hereto as *Exhibit B*.

Mr. Wilson reported that tap lines were replaced at 17335 Herrnhut Drive and 16003 Salton Point.

Mr. Wilson reported that a meter was replaced at 2802 Bay Area Boulevard.

Mr. Wilson reported that 51 meters were replaced through the meters over one million change out program.

Mr. Wilson reported on a waterline repair at 2126 Heritage Colony.

Mr. Wilson reported that a three inch meter was replaced at Hope Village and FM 2351.

Mr. Wilson reported that lines were jetted to clear blockage at 2426 Farriers Bend and at 16835 Nina Drive.

Mr. Wilson reported on the water plant maintenance in the month of November.

Mr. Wilson reported that the accountability was 97.81% for the period between September 2020 and October 2020.

Mr. Wilson reported on the delinquent list with the Board. Discussion ensued.

Upon Motion by Director Longoria, seconded by Director Klenk, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report and to execute the delinquent list.

5. Windsor EMS, Inc. Report. Mr. Henderson presented to and reviewed with the Board the Windsor EMS, Inc. ("Windsor") report for November 2020, a copy of which is attached hereto as *Exhibit C*. He stated that Windsor responded to 71 calls within the month. Mr. Henderson reported that the average response time was five minutes and forty-three seconds.

Mr. Henderson reported that there are currently three trucks in El Paso and one truck in Laredo.

Mr. Henderson discussed the calls with the longer response times.

Upon motion by Director Klenk, seconded by Director Longoria, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Windsor Report.

6. Tax Assessor and Collector's Report. Ms. Sullivan presented to and reviewed with the Board the Tax Assessor and Collector's Report and the SPA Report for November 2020, a copy of which is attached hereto as *Exhibit D*. Ms. Sullivan reported that as of November 30, 2020, the District has collected 5.1% of taxes for 2020.

Ms. Sullivan reviewed the SPA Report with the Board. Discussion ensued regarding the businesses in the District.

Upon motion by Director Mendez, seconded by Director Longoria, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, to approve the execution of the checks as presented.

7. Bookkeeper's Report and Investment Report. Ms. Pfeffer presented to and reviewed with the Board the Bookkeeper's Report for November 2020, the 2020 Energy Usage Report, the Budget for fiscal year ending December 31, 2021, and the Investment Report, copies of which are attached hereto as *Exhibit E*.

Discussion ensued regarding the budget for the current fiscal year.

Ms. Pfeffer presented draft budget no. 4 and reviewed the revisions that were made. Discussion ensued regarding the water and sewer revenue and the three percent increase to the fire budget line item.

Upon motion by Director Longoria, seconded by Director Klenk, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report and the Investment Report, and to approve execution of the checks presented.

8. Amend Rate Order. This item was deferred to the January meeting.

9. Discuss and adopt budget for fiscal year ending December 31, 2021. Upon motion by Director Mendez, seconded by Director Longoria, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the budget for fiscal year ending December 31, 2021, as amended.

10. Engineer's Report. Mr. Gaez presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit F*, and which follows in substantially the form it was presented:

a. **Commercial Reviews**

1. **Beamer Villas:** Mr. Gaez reported that there are no new updates to report.

2. **El Dorado Tracts:**

Mr. Gaez reported that the water meter easements were sent to the developer for signature for the Allora Apartments.

Mr. Gaez reported on the 123 Unit Senior Living Facility (6.77 Acres at El Dorado Boulevard and Beacons View), stating that comments to the construction plans were issued and BGE is waiting on the revised documents.

3. **ACES AC Warehouse (Ellis Business Park):** Mr. Gaez reported that the plans have been submitted for review. BGE is waiting on the revised construction plans.

4. **Rodzina Office Warehouse Phase II.** Mr. Gaez reported that NRF will be drafting water meter easements.

5. **Speedy Carwash.** Mr. Gaez reported that a plan review letter was issued on October 12, 2020 and that the developer has not submitted the revised plans yet.

b. **Capacity Requests.** Mr. Gaez reported that there are no updates.

c. **BGE Authorized Projects:**

1. **2020 Bond Issue Report.** Mr. Gaez reported that he is waiting on the City of Houston's revised Southeast Water Plant Capital Improvement Plant in order to amend the bond issue amount.

d. **COH / County Projects**

1. **City of Houston ("COH") Southeast Transmission Line (surface water line):** Mr. Gaez reported on Contract D, stating that the City of Houston had a meeting on December 8, 2020 to provide an update on the design of the 54-inch line along Old Galveston Road. He stated that the design engineer is waiting on completion of the topographical survey to finalize the 30% construction plan set.

Mr. Gaez reported on Contract C, stating that the City of Houston held a progress meeting on December 8, 2020 and that the City of Houston's consultants are working through alignment options and easement acquisitions.

2. **Blackhawk Treatment Plant.** Mr. Gaez reported that there are no updates to report.

Mr. Gaez reported on the District's Emergency Preparedness Plan, stating that it needs to be updated as per the Texas Commission on Environmental Quality regarding the water that will be provided from the City of Houston during an emergency.

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

11. Approve Petition for Addition of Land for 21st and 22nd annexations. Mr. Wilson reported that the Certificates of Ownership have been requested from Harris County

Appraisal District. He stated that the approval of the Petition for Addition of Land for 21st and 22nd annexations will be deferred to January.

12. Approve Petition for Consent for Addition of Land for 21st and 22nd annexations. Mr. Wilson reported that this item will be deferred to January.

13. Park and Recreational Facility Report. President Squires recognized Mr. Gray, who presented to and reviewed with the Board the Parks and Recreational Facilities Report, a copy of which is attached hereto as *Exhibit G*. He stated that there are no major issues to report.

Mr. Gray reported on the silt build up at the Heritage Park Long Channel.

Mr. Gray reported on ponding water at the grate inlet. He presented a proposal to repair the issue at a cost of \$3,580. Upon motion by Director Klenk, seconded by Director Longoria, after full discussion and the question being put to the Board, the Board voted unanimously to accept the proposal to repair the ponding issue at a cost of \$3,580.

14. Sewage Treatment Plant Operations Report. There were no updates.

15. Discuss Southeast Water Plant Report. There were no updates.

16. Discuss Maintenance of District Facilities. There were no issues to report.

17. Discuss Board vacancy and take any necessary action. The Board agreed to defer this item.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,
THE MEETING WAS ADJOURNED.

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The above and foregoing minutes were passed and approved by the Board of Directors on **January 19, 2020.**

President, Board of Directors

ATTEST:

Secretary, Board of Directors