

MINUTES OF MEETING OF BOARD OF DIRECTORS
May 19, 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, May 19, 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
Malcolm Swinney, Assistant Secretary

All members of the Board were present via teleconference, except for Director Mendez. Also attending all or parts of the meeting via teleconference were Mr. Chris Wilson of Si Environmental ("Si"), operator for the District; 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. Tom Hoff of the Forest Bend Fire Department; Mr. T.J. Cloud and Mr. Les Griffith of Champions Hydro-Lawn, Inc. ("Champions"); Mr. Alton Henderson from Windsor EMS, Inc.; and Mr. Nelson Gaez of Brown & Gay Engineers, Inc. ("BGE"), engineer 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. Election of Officers.** Mr. Wilson reported that Director Swinney and Klenk began their new terms after the May 2, 2020 election. He stated that at this time, if the Board chooses, they can elect new officer positions. 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 maintain the current Board officer positions.

3. Approve Minutes The Board considered the minutes of the April 21, 2020 meeting, copies of which was previously distributed to the Board. 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 minutes of April 21, 2020.

4. Forest Bend Fire Department Report. Mr. Hoff reviewed runs for the month of April. He reported on the service calls within the month. Mr. Hoff reported that the hurricane preparedness was completed and that there were no major issues to report. He also reported on the additional hurricane preparation being completed. Discussion ensued.

5. Windsor EMS, Inc. Report. Mr. Henderson presented to and reviewed with the Board the Windsor EMS, Inc. ("Windsor") report for April 2020, a copy of which is attached hereto as *Exhibit B*. He stated that Windsor responded to 62 calls within the month, but that there was one additional call that Harris County forwarded to Windsor. He stated that the call should have been forwarded to Friendswood. Mr. Henderson reported that the average response time was six minutes and two seconds. Mr. Henderson reported that 98.39% of the response times were under the contract agreed upon response time of seven minutes and fifty-nine seconds. Mr. Alton also reported on the congregate facility. Klenk, Malcolm.

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 March 2020, a copy of which is attached hereto as *Exhibit C*. Ms. Sullivan reported that as of March 31, 2020, the District has collected 97.7% of taxes for 2019.

Ms. Sullivan reviewed the SPA Report with the Board.

Upon motion by Director Swinney, seconded by Director Mendez, 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 April 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 D*.

Ms. Pfeffer discussed the budget and the City of Houston payment. She reported that she added the payments to the bottom of the budget, so that it is not included. She stated that she contacted the auditor to confirm that this is allowed.

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. 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 April 2020, a copy of which is attached hereto as *Exhibit E*.

Mr. Wilson reported that Si excavated and reset A-boxes on seven valve risers in the District.

Mr. Wilson reported that he met with the resident at 3023 Genesee Creek, stating that he showed the resident the plans that confirm that there is a valve in their yard. He stated that Si located the valve and installed a new riser.

Mr. Wilson reported that all of the fire hydrants in the District were inspected.

Mr. Wilson reported that the sanitary sewer line at 17039 Coach Maker was jetted to clear the debris.

Mr. Wilson reported on a manhole cleanup at 2121 West Bay Area Boulevard.

Mr. Wilson reported that a cracked manhole lid was replaced at 17037 Herrnhut Drive.

Mr. Wilson reported on the April repairs and maintenance at the St. Lawrence L1 lift station.

Mr. Wilson reported on the water plant maintenance in the month of April at the Hope Village E1 and Fife Lane W1 water plants.

Mr. Wilson discussed the steps that Si has taken to address the low water accountability. He requested approval to resume the meter change out program. Mr. Wilson also reported on the interconnect that the District used to share with Friendswood and stated that there is a meter at the connect. He reported that he will investigate the meter to confirm that it is not active. Discussion ensued regarding the meter and the previous interconnect.

Mr. Wilson reported that the accountability was 77.47% for the period between February 2020 and March 2020. Mr. Wilson discussed the low accountability with the Board.

Mr. Wilson reviewed the cut off list with the Board. Discussion ensued regarding the water termination during the COVID-19 epidemic. He stated that Si is currently not terminating water or adding late fees to delinquent accounts. He stated that Harris County Judge Lina Hidalgo has requested that the suspension of water termination and late fees be extended to June 1, 2020. Discussion ensued regarding two accounts with high balances on the delinquent account list. Mr. Wilson reported that he will follow up.

Upon Motion by Director Swinney, seconded by Director Klenk, after full discussion and the question being put to the Board, the Board voted unanimously to: (1) approve the Operations Report; (2) to continue to suspend late fees, disconnection fees, and water termination for resident until June 1, 2020; and (3) authorize Si to resume with the meter change out program.

9. 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.

b. Capacity Requests.

1. El Dorado Tracks: Mr. Gaez reported that NRF received a draft letter form the developer regarding the 9.13 acre multi family tract for the Allora Apartments. He stated that he will review and provide comments.

c. BGE Authorized Projects:

1. **2020 Bond Issue Report.** Mr. Gaez reported that BGE is working on the bond application report and will submit to NRF and the financial advisor in June for review. He recommended including the meter change out program costs in the bond application report. The Board concurred.

d. COH / County Projects

1. **City of Houston (“COH”) Southeast Transmission Line (surface water line):** Mr. Gaez reported that he has not received any updates.

2. **Blackhawk Treatment Plant.** Mr. Gaez reported that the Gulf Coast Authority held a co-participant meeting on April 30. He stated the new engineer for the aeration improvement project, CDM Smith, identified hydraulic issues with the influent flow and the return activated sludge which can impact the aeration capabilities. Mr. Gaez reported that CDM Smith recommends additional analysis and modeling to better under the necessary improvements. He stated that the original proposal for the project was \$101,400 and the additional analysis will add \$108,000. Discussion ensued regarding the project and the additional costs to the District.

President Squires reported that they will also be replacing the roof. Discussion ensued regarding the estimate for the replacement and the actual costs.

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 Engineer’s Report.

10. Park and Recreational Facility Report. Mr. Cloud presented to and reviewed the Park and Facility Report, a copy of which is attached hereto as *Exhibit G*. He reported that he will be new account manager for the District. He reported that there are no issues to report. Swinney, Longoria

11. Sewage Treatment Plant Operations Report. President Squires reported that this was discussed the Engineer’s Report.

12. Discuss Southeast Water Plant Report. President Squires reported there are no updates to report.

13. Discuss Maintenance of District Facilities. Director Klenk reported that the administration building will have the appropriate cleaning equipment for protection from viruses.

Director Longoria also presented an update on the status of the maintenance at the District facilities.

14. Discuss Board vacancy and take any necessary action. Director Swinney reported that he currently still owns property in the District. This item was deferred.

15. Cybersecurity Training reminder. Director Squires reminded the Board that the deadline for the cybersecurity training is June 14, 2020 and he reviewed the available AWBD webinar training dates.

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 **June 16, 2020.**

President, Board of Directors

ATTEST:

Secretary, Board of Directors