

MINUTES OF MEETING OF BOARD OF DIRECTORS
September 21, 2021

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") met in regular session, open to the public, at 2300 Pilgrims Point, Webster, Texas, on Tuesday, September 21, 2021, whereupon the roll was called of the members of the Board, to-wit:

Robert L. Squires, President
Sam Longoria, Vice President
David VanRiper, Secretary
Richard Klenk, Treasurer
Robert Tietz, Assistant Secretary

All members of the Board were present in person, thus constituting a quorum. Also attending all or parts of the meeting in person were Mr. Tom Hoff, 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; and Mr. Alton Henderson from Windsor EMS, Inc.; Mr. Reginald Wilson and Ms. Kaity Malek of Norton Rose Fulbright US LLP ("NRF"), attorney for the District; Mr. Scott Gray of Champions Hydro-Lawn, Inc. ("Champions"); Ms. Vickey Sullivan of Equi-tax, Inc., tax assessor for the District; and Ms. Jennifer Landreville of ETI Accounting Services ("ETI"), bookkeeper for the District; Ms. Lauren Smith of Public Finance Group, financial advisor for the District; Mr. Cullen Raska of Lake Management Services LP ("Lake Management")

The meeting was called to order in accordance with notice posted pursuant to law, copies of the Certificates of Posting of which are attached hereto as *Exhibit A*, and the following business was transacted:

- 1. Public Comments.** There were no public comments.
- 2. Approve Minutes** The Board considered the minutes of the August 17, 2021 meeting, copies of which was previously distributed to the Board. Upon motion by Director Klenk, seconded by Director VanRiper, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of August 17, 2021, as presented.
- 3. Discuss and consider 2021 proposed tax rate and proposed tax rate hearing date.** Ms. Smith presented to and reviewed with the Board the Tax Rate Analysis, a copy of which is attached hereto as *Exhibit B*. She stated that the 2021 certified value for the District is \$976,016,304 and recommended that the District lower the debt service tax rate to \$0.3795. Extensive discussion ensued regarding lowering the tax rate or to maintain it at \$0.40.

4. Adopt Order Designating Officer to Calculate and Publish Proposed 2021 Tax Rate and Taking Other Actions in Connection with the Levy of a Tax for 2021. Upon motion by Director Longoria, seconded by Director VanRiper, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the tax assessor to publish a \$0.40 tax rate for 2021.

5. Forest Bend Fire Department Report. Mr. Hoff reviewed the runs for the month of August. He also reported on the service calls within the month and discussed the August budget activity. Mr. Hoff reported on Hurricane Nicholas stating that the runs for this event were minimal but there may be some damage to the District facility building as they found small leaks in the roof during the storm. Discussion ensued.

6. Windsor EMS, Inc. Report. Mr. Henderson presented to and reviewed with the Board the Windsor EMS, Inc. ("Windsor") report for August 2021, a copy of which is attached hereto as Exhibit C. He stated that Windsor's 911 services were requested 79 times and Windsor responded to 74 of the requests, with an average response time of 6 minutes and 08 seconds. He stated that Medic 18 responded to 71 requests; Medic 19 responded to 3 request and there were 2 requests where Medic 18 provided Mutual Aid to Shoreacers. He stated that Medic 18 required mutual aid on 5 requests of which 4 request were provided by League City and one by HFD. These calls for service resulted in 42 transports. Windsor's response for medic 18 in MUD 55's district was less than 7 minutes and 59 seconds, on 98.6 % of the requests. Friendswood's report shows a A49 call which is Friendswood EMS call. We did not run this call. Mr. Henderson further reported on Hurricane Nicholas stating that the runs for this event were minimal and that they suspended their services between 2:15 am and 5:00 am.

Upon motion by Director Klenk, seconded by Director Tietz, after full discussion the question being put to the board, the board voted unanimously to approve the Windsor EMS report.

7. Tax Assessor and Collector's Report. Ms. Sullivan presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as *Exhibit D*.

Ms. Sullivan reported that for the month of August the District has collected 99.1% of taxes for 2020.

Ms. Sullivan stated there are four checks being presented for review and approval.

Ms. Sullivan reported on the District's SPA Revenue report.

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 Tax Assessor and Collector's Report, to approve the execution of the checks as presented.

8. Bookkeeper's Report and Investment Report. Ms. Landreville presented to and reviewed with the Board the Bookkeeper's Report for August 2021 and the Investment Report copies of which are attached hereto as *Exhibit E*.

Ms. Landreville reported on the District's general operating funds.

Ms. Landreville stated there are 56 checks being presented for review and approval.

Ms. Landreville reviewed the August investment and capital reports.

Ms. Landreville reported on the District's 2021 annual budget. She stated that next month she will bring the 2022 annual budget for review.

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.

9. 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 August 2021 a copy of which is attached hereto as *Exhibit F*.

Mr. Wilson reported on the water distribution repairs and maintenance for the month of August stating that Si performed billing/collection activities and responded to customers calls for service.

Mr. Wilson reported that, at 2502 Forge Stone, Si excavated down to main and replaced a leaking tapline. He stated that landscaping and concrete were replaced after the repair.

Mr. Wilson reported that, at 2950 Heritage Colony, Si excavated down to main and replaced a leaking tapline. He stated that landscaping and concrete were replaced after the repair.

Mr. Wilson reported that at Carrack Turn and El Dorado, Si excavated down to main and replaced a section of the mainline that had failed. He stated that landscaping and concrete were replaced after the repair.

Mr. Wilson reported that, at 17035 Coachmaker, Si excavated and replaced leaking U branch.

Mr. Wilson reported that, at 3718 Norwood Glen, Si paid Center Point the repair claim. He stated that a mainline leak occurred at this location and after reviewing pictures, the sink hole that was opened caused the powerline to pull out on several light poles and power feeds.

Mr. Wilson stated that the subcontract has inspected all hydrants within the District.

Mr. Wilson reported that, at 3002 Early Turn, Si removed a section of the fence and excavated down to the sewer main, replaced a section of pipe that had failed and as filled with roots. He stated that Si tied the house line back in and backfilled and cleaned the area. As well as replaced the landscaping after the repair.

Mr. Wilson reported that, at 4702 Wynnview, Si removed a section of the fence and excavated down to the sewer main, replaced a section of pipe that had failed and as filled with roots. He stated that Si tied both house lines back in and backfilled and cleaned the area. As well as replaced the landscaping after the repair.

Mr. Wilson reported that, at 15190 Backenberry, Si removed a section of the fence and excavated down to the sewer main, replaced a section of pipe that had failed and as filled with roots. He stated that Si tied the house line back in and backfilled and cleaned the area. As well as replaced the landscaping after the repair.

Mr. Wilson reported that lines were jetted to clear blockage at 2310 Heritage Bend and 15519 Contender.

Mr. Wilson reported that Vactor cleaned out all of the storm interceptors at the park.

Mr. Wilson reported on the lift station maintenance for the month of August. He stated that at Signal Hill L3, Si pulled all three pumps and removed debris, tested and put them back online. He stated that at St. Lawrence L1, Si jetted the siphon lines to the lift station.

Mr. Wilson stated that at Fife W1, Si made a parts list and replaced bad sections of conduit.

Mr. Wilson stated that at Planters Way W2, Si reset all of the communications since the remote well was not communicating, tested and all working properly.

Mr. Wilson reported that at Hope Village E1, Si purchased and replaced lights in the yard light and over the door.

Mr. Wilson stated that Si performed preventive maintenance on the entire disinfection system as well as on all water plant generators including the fire station.

Mr. Wilson reported on the water accountability. He stated that it was at 95% for the month of August.

Mr. Wilson stated that in November Si will be conducting a water refresh.

Mr. Wilson reported on the delinquent account list with 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 Operations Report and the delinquent cut off list.

8. **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 G*, and which follows in substantially the form it was presented:

a. **Commercial Reviews:**

1. **Beamer Villas:** Mr. Gaez reported that there were no new updates.

2. **El Dorado Tracts:**

i. **Allora Apartments (9.13 Acre Multi Family Tract):** Mr. Gaez reported that there were no new updates.

ii. **Assisted Living Facility (6.77 Acres El Dorado Blvd and Beacons View):** Mr. Gaez stated that Revised plans have been reviewed and a letter of no objection was issued on September 16th. The engineer provided the photometric exhibit requested showing that the proposed parking lot lighting will not illuminate adjacent properties.

3. **Rodzina Office Warehouse Phase II.** Mr. Gaez that there were no new updates.

4. **Speedy Carwash.** Mr. Gaez stated that BGE reached out to the developer requesting proof of passing inspections from Harris County's site review department as stipulated in the letter of no objection dated July 2, 2021. He reported that he received an email today stating that in 2 weeks the inspector will be out.

b. **Capacity Requests.** Mr. Gaez stated that there was nothing to report.

c. **BGE Authorized Projects:**

i. **\$17,685,000 Bond Issue Report:** Mr. Gaez reported that the TCEQ issued comments on the bond application on September 7th. The requested information was resubmitted to the TCEQ on September 8th. Unfortunately, the application has been removed from expedited review but the TCEQ reviewer will continue to work on the application as the information becomes available.

ii. **Heritage Park Section 17 Backslope Swale Clearing:** Mr. Gaez reported that the contractor has completed seeding the swale. A final inspection was held on September 16th with no punchlist items identified. The final pay estimate will be processed for payment next month. The District should consider adding maintenance of this swale to

the regular maintenance schedule. He recommended having Champions start maintaining this area at least once a month. It was the consensus of the Board to further discuss this at the October meeting.

d. COH / County Projects

i. **City of Houston (“COH”) Southeast Transmission Line (surface water line):** Mr. Gaez reported on that design is ongoing. He stated that the alignment of line segments is under review and consultants are working towards milestone submittals. A co-participant meeting was held on September 1st to discuss overall project details and upcoming cash calls. The next cash call date is October 27th with a payment date of December 27th. The City of Houston discussed options for flow and pressure monitoring. The advantage of the system is that co-participants would have real time data available. The City of Houston is working on a letter that will be circulated for co-participant signatures agreeing to allow their data to be shared within the group.

ii. **Blackhawk Treatment Plant:** Mr. Gaez reported that the next joint committee meeting will be held on September 21st. Items of discussion will be the approval of the 2022 budget, operational matters, and reports from consultants.

e. Additional Items:

i. **840,000 Gallon Ground Storage Tank Cathodic Protection Repair:** Mr. Gaez stated that the contractor is waiting for the delivery of materials to begin the repair. He stated that 50% of the work has been completed as of today. The Board discussed expediting the inspection to January to help keep the maintenance down.

ii. **Water Plant No. 1 Driveway Replacement:** Mr. Gaez stated that BGE has picked up survey necessary for the design and plan creation. There is an existing access easement that follows the alignment of the current driveway. As discussed at the last meeting, the driveway will be widened a foot on either side but the alignment cannot be drastically modified without revising the recorded easement. Design is ongoing.

iii. **Harris County Flood Control Unit A114-00-00 from W. El Dorado Blvd. to Bay Area Blvd.:** Mr. Gaez stated that Harris County Flood Control is assessing the condition of outfalls to the drainage channel between W. El Dorado Blvd and Bay Area Blvd. HCFC hopes to identify any possible storm sewer outfall repairs and/or interceptor pipe replacements. BGE provided record drawings for Heritage Park Section 6 and Section 21.

iv. **Series 2013 Bond Surplus Review:** Mr. Gaez stated that BGE is reviewing projects that were funded with reallocation of Series 2013 Bond funds to determine what projects can be funded with any remaining surplus funds. A list of potential projects will be presented next month for District consideration.

Upon motion by Director Klenk, seconded by Director Tietz, 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. Raska reported to the Board that all the lakes have been well maintained and that there are no issues to report. Director Squires stated that a few years ago the District put in a structure that allows the fish to grow and have a place to swim in and around the lake. Discussion ensued regarding a cost estimate for the new structure. Mr. Raska stated that he would look into the cost and report back to the Board.

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 H*. He stated that there are no major issues to report.

Mr. Gray reported on Heritage Park Short Channel, stating that the channel is in good condition.

Mr. Gray reported on Heritage Park Long Channel, stating that the channel is in good condition and is functioning as designed.

It was the consensus of the Board to approve the Park and Recreational Facility Reports.

11. Sewage Treatment Plant Operations Report. Director Squires reported that he received the new budget today and will distribute it for review. Upon motion by Director Klenk, seconded by Director VanRiper, after full discussion and the question being put to the Board, the Board voted unanimously to approve the increase in the current budget at the Blackhawk Treatment Plant.

12. Discuss Southeast Water Plant Report. Director Squires stated that there was nothing to report.

13. Discuss Maintenance of District Facilities. The Board further discussed the possible roof leak that Mr. Hoff discussed in his report as well as the possibility of painting the building and adding chair rails.

14. Other District Matters. The board discussed the fence that was down at the lift stations. Mr. Wilson stated that Si is calling to get a fence company out to fix the problem. Discussion ensued.

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

* * *

The above and foregoing minutes were passed and approved by the Board of Directors on **October 19, 2021.**

President, Board of Directors

ATTEST:

Secretary, Board of Directors