

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

### Minutes of Meeting of Board of Directors June 18, 2020

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 249 (the "District") met in regular session, open to the public on June 18, 2020, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Ralph V. Palermo, President  
Daniel Stage, Vice President  
Diana Moore, Secretary  
Willie Hodge, Assistant Secretary  
Norman Adamek, Assistant Secretary

all of whom participated in the meeting via telephone conference call, thus constituting a quorum.

Also attending the meeting via telephone conference call were: John Davis of Langford Engineering, Inc. ("Langford"); Eric Thiry of Environmental Development Partners, L.L.C. ("EDP"); Jordan Weyand of Municipal Accounts & Consulting, L.P. ("MAC"); Odett McMullen of Bob Leared Interests, Inc. ("BLI"); Michael Willett of Touchstone District Services, LLC ("Touchstone"); Michael Murr of Murr Incorporated ("MI"); Cindy Adamek, a resident of the District; and Christopher Skinner and Maranda Lawson of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

#### **PUBLIC COMMENTS**

The Board began by opening the meeting for public comments. There being no public comments presented, the Board continued to the next item of business.

#### **MINUTES**

The Board next reviewed the draft minutes of its meeting held on May 21, 2020. After discussion of the minutes presented, Director Adamek moved that said minutes be approved, as written. Director Palermo seconded said motion, which carried unanimously.

#### **DISTRICT SECURITY**

The Board next considered the report regarding District security matters. Mr. Skinner distributed the Harris County Sheriff's Office ("HCSO") security patrol report for May 2020, a copy of which report is attached hereto as **Exhibit A**.

Director Adamek next informed the Board that he was recently contacted by Sergeant Albert "Neal" Ashworth who advised that he is filling Sergeant Schlowinski's position in lieu of Sergeant Doug Thomas.

A discussion next ensued concerning the District's policy regarding law enforcement contracting and services within the District. After discussion on the matter, the Board concurred that Director Adamek be authorized to re-affirm with Sergeant Ashworth that the District's security contract is primarily intended to provide patrol services to the residential subdivisions of Spring Falls and Spring Lakes, in addition to the District's property and facilities, and secondarily to the commercial properties in the District.

### **TAX ASSESSOR-COLLECTOR'S REPORT**

Ms. McMullen next presented to and reviewed with the Board the Tax Assessor-Collector's Report for the month of May 2020, a copy of which report is attached hereto as **Exhibit B**. After discussion of the report presented, Director Adamek moved that the Tax Assessor-Collector's Report be approved and that the disbursements identified in said report be authorized for payment from the District's tax account. Director Palermo seconded said motion, which unanimously carried.

Ms. McMullen reminded the Board that, at the last meeting, it authorized Mr. Ike Darniel, who resides at 25823 Sarah Springs Court, located within the District, to enter into a payment plan for his delinquent taxes, subject to said taxes being paid in full by January 31, 2021. In connection therewith, Ms. McMullen informed the Board that, since the last meeting, Mr. Darniel has not yet made his first payment for his delinquent 2019 taxes and noted that she e-mailed Mr. Darniel to remind him that his first payment is due.

Ms. Odette exited the meeting at this time.

### **DELINQUENT TAX REPORT**

Mr. Skinner presented to and reviewed with the Board the Delinquent Tax Report, dated June 18, 2020, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax collection attorneys; a copy of the report is attached hereto as **Exhibit C**. Mr. Skinner noted that no Board action was necessary in connection with any of the accounts reflected in the report.

### **BOOKKEEPER'S REPORT**

Mr. Weyand next presented to and reviewed with the Board the Bookkeeper's Report, dated June 18, 2020, a copy of which is attached hereto as **Exhibit D**. After discussion, it was moved by Director Adamek that the Bookkeeper's Report be approved and that the disbursements identified therein be authorized for payment. Director Palermo seconded the motion, which carried unanimously.

## **UNCLAIMED PROPERTY**

The Board next considered the approval of an Unclaimed Property Report as of March 1, 2020. Mr. Weyand informed the Board that there is unclaimed property in the amount of \$298.26 to be reported and turned over to the State Comptroller's office at this time. After discussion on the matter, Director Adamek moved that the Unclaimed Property Report as of March 1, 2020, be approved, and that the Board authorize MAC to file same with and transfer funds to the State Comptroller prior to July 1, 2020. Director Palermo seconded the motion, which carried unanimously.

## **LANDSCAPING WITHIN THE DISTRICT**

The Board next discussed landscaping within the District. In connection therewith, Mr. Murr presented to and reviewed with the Board a Progress Report-Landscape Projects, a copy of which report is attached hereto as **Exhibit E**. Mr. Murr informed the Board that, as authorized at the last meeting, MI cut back the height of the rose bushes at each of the endcaps on Lexington Boulevard.

Director Adamek next advised Mr. Murr that there is a dead tree branch located at the south end of Lexington Boulevard on the east side that needs to be removed. Mr. Murr noted that he would examine the situation and handle it accordingly.

Mr. Murr next advised the Board that if a significant amount of rain does not occur in the area in the near future, MI will plan to rent a water truck to irrigate the newly planted trees located behind the apartment complex.

## **DETENTION AND DRAINAGE FACILITIES REPORT**

The Board deferred consideration of a Drainage Facilities Report after noting that a representative of Storm Water Solutions, LP was not present at the meeting.

## **ENGINEERING REPORT**

Mr. Davis presented to and reviewed with the Board the Engineering Report, dated June 18, 2020, a copy of which report is attached hereto as **Exhibit F**, relative to the status of various projects within the District.

In connection with the purchase of property for the proposed Remote Water Well site, Mr. Davis advised the Board that the Phase I Environmental Site Assessment prepared by Berg Oliver and Associates, Inc. for the proposed site had been received and noted that said Assessment indicates that there are no environmental issues with the proposed site. The Board then concurred that it was amenable to moving forward with the purchase of the property for proposed site. Director Adamek noted that he would like to be present during the negotiations for the purchase of the property. He then advised the Board. After discussion, Director Stage moved that the Contract be approved and that the President be authorized to execute same on

behalf of the Board and the District. Director Moore seconded the motion, which carried unanimously.

Mr. Davis noted that he and Mr. Thiry are in the process of scheduling a meeting with representatives of Northland Shopping Center to develop a plan to move forward with the necessary repairs of the Northland Shopping Center's sanitary sewer lines.

### **ANNUAL REVIEW OF EMERGENCY PREPAREDNESS PLAN**

The Board next considered the annual review of the District's Emergency Preparedness Plan ("EPP") and authorizing the District's engineer to issue a notice to all applicable entities relative to changes to the District's EPP. After discussion of the EPP presented by Mr. Davis, the Board concurred that Langford be authorized to prepare and issue said notice on the District's behalf.

### **INTERLOCAL AGREEMENT (REMOVAL OF BERM)**

The Board deferred the approval and execution of an Interlocal Agreement between the District, Harris County Water Control and Improvement District No. 110 and Harris County Flood Control District for the removal of the berm between detention basins at this time.

### **INTERLOCAL AGREEMENT (CYPRESSWOOD STORMWATER DETENTION BASIN)**

The Board deferred the approval and execution of an Interlocal Agreement between the District and Harris County Flood Control District for the Cypresswood Stormwater detention basin project at this time.

### **ISSUANCE OF UTILITY COMMITMENTS**

The Board next deferred action regarding the issuance of utility commitments, as no requests for same had been received by the District.

### **OPERATIONS AND MAINTENANCE REPORT**

The Board next considered the Operations and Maintenance Report. Mr. Thiry presented to and reviewed in detail with the Board a written Operator's Report prepared by EDP, dated as of June 18, 2020; a copy of the report is attached hereto as **Exhibit G**.

A discussion next ensued regarding the District's handling of delinquent utility accounts during the pendency of the COVID-19 pandemic. After discussion on the matter, the Board concurred that EDP be authorized to (i) continue waiving the provisions in the District's Rate Order relative to the levying of penalties and interests on delinquent accounts and termination of water service during the COVID-19 pandemic, and (ii) place door tags to encourage customers to contact EDP to arrange payment of the delinquent accounts to avoid disruption of service.

## **AMENDMENT TO RATE ORDER**

The Board next considered amending the District's Rate Order. Mr. Skinner reminded the Board that it previously authorized an amendment to the District's Rate Order effective as of April 1, 2020 to increase the pumpage fee from \$3.97 to \$4.38 for each 1,000 gallons of water billed to each District customer to account for the increase in the fee assessed by the North Harris County Regional Water Authority (the "Authority") from \$3.85 to \$4.25 per 1,000 gallons that was effective as of April 1, 2020. Mr. Skinner then advised the Board that correspondence was recently received from the Authority advising that they are suspending the fee increase until July 1, 2020. After discussion, it was moved by Director Adamek, seconded by Director Moore and passed unanimously, that the District's Rate Order be amended to decrease the pumpage fee from \$4.38 to \$3.97 for each 1,000 gallons of water billed to each District customer to account for the adjustment in the fee assessed by the Authority, with said amended Rate Order to be retroactively effective as of April 1, 2020, that any and all rate orders heretofore adopted by the Board be revoked and that the amended Rate Order be passed and adopted as of that date.

## **COMMUNICATIONS**

The Board next discussed District communications. Mr. Willett presented to and reviewed with the Board a Communications Meeting Report, a copy of which report is attached hereto as **Exhibit H**. After discussion, the Board concurred that Touchstone be authorized to prepare and place an article on the District's website regarding measures that have been taken by the District during the COVID-19 pandemic relative to waiving the provisions in the District's Rate Order in connection with the levying of penalties and interests on delinquent accounts, the termination of water service, and to encourage customers to contact EDP to arrange payment of delinquent accounts to avoid disruption of service.

Director Stage exited the meeting at this time.

## **VOTING SYSTEM ANNUAL FILING FORM**

The Board next considered authorizing the completion, execution and filing with the Texas Secretary of State of a Voting System Annual Filing Form relative to District elections. Mr. Skinner advised that, pursuant to Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's office. After discussion, Director Adamek moved that: (i) SPH be authorized to complete and execute the Voting System Annual Filing Form; and (ii) SPH be authorized to file the Form with the Texas Secretary of State's Office on behalf of the Board and the District. Director Palermo seconded said motion, which unanimously carried.

## **DESTRUCTION OF CERTAIN DISTRICT RECORDS**

The Board next considered a request from the District's Records Management Officer to destroy SPH's handwritten notes of Board meetings from March 21, 2019, to February 20, 2029, a copy of which request is attached hereto as **Exhibit I**. After discussion on the matter, Director Adamek moved that the destruction of said notes be authorized as requested in accordance with

the provisions of the District's Records Management Program. Director Palermo seconded said motion, which unanimously carried.

**ATTORNEY'S REPORT**

Mr. Skinner presented to and reviewed with the Board a proposal for Berg Oliver Associates, Inc. in connection with the preparation of the Phase I Environmental Site Assessment for the proposed Remote Water Well site, which was discussed earlier in the meeting. He then requested that the Board consider the approval of said proposal, subject to said approval being ratified at the next meeting. After discussion, Director Adamek moved that said proposal be approved and that the President be authorized to executed same on behalf of the Board and the District, subject to said approval being ratified at the next meeting. Director Palermo seconded the motion, which carried unanimously.

**OTHER MATTERS**

Director Adamek next discussed with the Board the possibility of preparing and forwarding correspondence to the City of Houston expressing the Board's desire for the District's Strategic Partnership Agreement being extended beyond the thirty (30) year term. After discussion, the Board concurred that SPH be authorized to prepare and forward correspondence to the City of Houston expressing the Board's desire for the District's Strategic Partnership Agreement to be extended beyond the thirty (30) year term.

**CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 AND/OR SECTION 551.072**

The Board deferred convening in closed session at this time.

**ADJOURN**

There being no further business to come before the Board, upon motion duly made by Director Adamek seconded by Director Palermo and carried unanimously, the meeting was adjourned.



  
Secretary

## LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Security Report
- Exhibit B – Tax Assessor-Collector's Report
- Exhibit C – Delinquent Tax Report
- Exhibit D – Bookkeeper's Report
- Exhibit E – Progress Report-Landscape Projects
- Exhibit F – Engineer's Report
- Exhibit G – Operator's Report
- Exhibit H – Communications Meeting Report
- Exhibit I – Records Destruction Request