

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

Minutes of Meeting of Board of Directors
September 17, 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 September 17, 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
Norman Adamek, Secretary
Willie Hodge, Assistant Secretary
Diana Moore, Assistant Secretary

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

Also attending the meeting via telephone conference call were: Omar Rodriguez and John Davis of Langford Engineering, Inc. ("Langford"); Eric Thiry of Environmental Development Partners, L.L.C. ("EDP"); Jordan Weyand and Charlie LaConti of Municipal Accounts & Consulting, L.P. ("MAC"); Odett McMullen of Bob Leared Interests, Inc. ("BLI"); Michael Willett and Michelle Johnson of Touchstone District Services, LLC ("Touchstone"); Michael Murr of Murr Incorporated ("MI"); Christine Crowell of Masterson Advisors, LLC ("Masterson"); Cindy Adamek, a resident of the District; and Christopher Skinner and Rick Barker 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.

**EXPLANATION OF TELEPHONE CONFERENCE CALL MEETING PROCEDURES
AND CALL TO ORDER**

Mr. Skinner explained to the Board the procedures to be used during the telephone conference call meeting. In connection therewith, he informed the participants that the meeting would be recorded, and requested that each participant clearly state his or her name before speaking, including when making or seconding a motion. Mr. Skinner further explained that he would conduct a roll call vote for all motions and that Board members should wait to vote on a motion until his or her name has been called. Similarly, Mr. Skinner stated that a full roll call of all participants would be conducted at the start of each telephone conference call meeting for attendance purposes.

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 August 20, 2020. After discussion of the minutes presented, Director Stage moved that said minutes be approved, as written. Director Adamek 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 August 2020, a copy of which report is attached hereto as **Exhibit A**.

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 August 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 Stage seconded said motion, which unanimously carried.

DELINQUENT TAX REPORT

Mr. Skinner next presented to and reviewed with the Board the Delinquent Tax Report, dated September 17, 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.

FINANCIAL ADVISOR'S RECOMMENDATION CONCERNING THE DISTRICT'S PROPOSED 2020 TAX RATE

The Board next considered the Financial Advisor's recommendation concerning the District's proposed 2020 tax rate and authorization of: (i) the required notice that the Board will consider adoption of a tax rate, and (ii) the means of providing such notice.

Mr. Skinner advised that, pursuant to the Texas Water Code, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. Mr. Skinner further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. He advised that the District must provide the notice by either: (i)

publishing it at least once in a newspaper having general circulation in the District at least seven days before the date of the meeting at which the tax rate will be adopted, or (ii) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least ten days before the date of the meeting.

Ms. Crotwell then presented to and reviewed with the Board a 2020 Debt Service Tax Rate Recommendation, a copy of which is attached hereto as **Exhibit D**. Ms. Crotwell then informed the Board that Masterson is recommending a proposed 2020 debt service tax rate of \$0.40 per \$100 of assessed valuation. There then ensued a discussion regarding the recommended 2020 maintenance tax rate. Additional discussion ensued regarding a possible bond authorization election and/or the possible issuance of bonds from the District's current voted bond authorization. In connection therewith, Ms. Crotwell presented to and reviewed with the Board a No Growth Cash Flow Analysis prepared by Masterson, a copy of which Analysis is included with **Exhibit D**. After discussion on the matter, Director Adamek moved that the Board set a 2020 debt service tax rate of \$0.40 per \$100 of assessed valuation, a 2020 maintenance tax rate of \$0.38 per \$100 of assessed valuation for a total 2020 tax rate of \$0.78 per \$100 of assess valuation, and that the District's Tax Assessor-Collector be authorized to publish notice of the District's intention to adopt a 2020 tax rate at its next meeting in the form and at the time required by law. Director Palermo seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Weyand next presented to and reviewed with the Board the Bookkeeper's Report, dated September 17, 2020, a copy of which report is attached hereto as **Exhibit E**. After discussion, it was moved by Director Stage that the Bookkeeper's Report be approved and that the disbursements identified therein be authorized for payment, except for check no. 8414 issued to Director Moore, which was voided. Director Hodge seconded the motion, which carried unanimously.

STATUS OF ARBITRAGE REBATE REPORT

The Board next considered the status of the 10 Year Arbitrage Rebate Report for the District's Series 2010 Unlimited Tax Refunding Bonds being prepared by Arbitrage Compliance Specialists ("ACS"). Mr. Skinner informed the Board that ACS is in the process of preparing said report at this time.

LANDSCAPING WITHIN THE DISTRICT

The Board next discussed landscaping within the District. In connection therewith, Mr. Murr presented to the Board a Progress Report-Landscape Projects prepared by MI, a copy of which report is attached hereto as **Exhibit F**. It was noted that no action was being requested at this time.

Mr. Murr next discussed with the Board the clearing of trees associated with the Lone Star College ("LSC") development. In connection therewith, Mr. Murr informed the Board that,

as authorized at the last meeting, he, Mr. Davis and Director Adamek recently met with representatives of LSC about working with the District to add trees and landscaping in the area. Mr. Murr then requested that the Board consider authorizing MI to commence preparation of a landscaping design plan. After discussion, Director Adamek moved that MI be authorized to commence preparation of a landscaping design plan. Director Stage seconded the motion, which carried unanimously.

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 September 17, 2020, a copy of which report is attached hereto as **Exhibit G**, relative to the status of various projects within the District.

PROPOSED BOND ISSUE

The Board deferred review of a preliminary summary of cost for the District's proposed Bond Issue at this time.

INTERLOCAL AGREEMENT (REMOVAL OF BERM)

The Board deferred the approval and execution of an Interlocal Agreement among 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.

STATUS OF ACQUISITION OF PROPERTY FOR REMOTE WATER WELL SITE

Director Adamek updated the Board relative to the status of acquisition of the Fox Tract for the possible Remote Water Well site. No action was taken by the Board at this time.

ISSUANCE OF UTILITY COMMITMENTS

Mr. Davis informed the Board that an informal request has been received from the owner of a tract of land located at Lexington Boulevard and Cypresswood for water and sanitary sewer

service. Mr. Davis noted that he will meet with the owner regarding the preparation of a formal request. No action was taken by the Board at this time.

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 September 17, 2020; a copy of the report is attached hereto as **Exhibit H**.

Mr. Thiry next informed the Board that he recently had discussions with Mr. Andrew Clark regarding the Northland Shopping Center sanitary sewer rehabilitation project and noted that Mr. Clark has agreed to prepare and provide monthly updates regarding the project to EDP to discuss with the Board.

COMMUNICATIONS

The Board next discussed District communications. Ms. Johnson presented to and reviewed with the Board a Communications Meeting Report, a copy of which report is attached hereto as **Exhibit I**.

ATTORNEY'S REPORT

Mr. Skinner advised the Board that he had nothing more of a legal nature to report at this time.

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.


FUTURE AGENDA ITEMS

Director Adamek requested that an item be added to the next agenda regarding discussion of the drainage easement located on the homeowners association's property.

ADJOURN

There being no further business to come before the Board, upon motion duly made by Director Stage seconded by Director Adamek 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 – Tax Rate Analysis
- Exhibit E – Bookkeeper's Report
- Exhibit F – Progress Report-Landscape Projects
- Exhibit G – Engineer's Report
- Exhibit H – Operator's Report
- Exhibit I – Communications Meeting Report