

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

Minutes of Meeting of Board of Directors
August 20, 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 August 20, 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 of Touchstone District Services, LLC ("Touchstone"); Michael Murr of Murr Incorporated ("MI"); Kathryn Foss of Municipal Financial Services, LLC ("MFS"); Christie Leighton of Best Trash, Inc. ("BT"); Cindy Adamek, a resident of the District; Mike Guillory representing the Spring Lakes Homeowners Association ("HOA"); Todd Edmonds and Cody Christoph of Colliers International ("Colliers"); and Christopher Skinner and Rick Barker of Schwartz, Page & Harding, L.L.P. ("SPH"), some of whom joined the meeting after the call order, as noted below.

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 July 16, 2020. After discussion of the minutes presented, Director Stage moved that said minutes be approved, as written. Director Hodge seconded said motion, which carried unanimously.

SOLID WASTE AND RECYCLING SERVICES

Ms. Leighton addressed the Board and inquired whether the Board had any concerns to be addressed regarding solid waste collection and recycling services provided by BT. The Board noted that it was satisfied with BT's services at this time.

Mr. Willett recommended that the Board consider authorizing Touchstone to post an article on the District's website regarding revised solid waste and recycling collection protocols. After discussion, the Board concurred that Touchstone be authorized to post said article to the District's website.

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 July 2020, a copy of which report is attached hereto as **Exhibit A**.

Mr. Skinner next presented to and reviewed with the Board correspondence received from Harris County Budget Management Department regarding proposed fee increases for contract patrol services, a copy of which correspondence is included with **Exhibit A**. A discussion ensued regarding same.

EVO REPORT

Ms. Foss next presented to and reviewed with the Board the EVO Report prepared by MFS, a copy of which is attached hereto as **Exhibit B**. The Board then asked various questions to which Ms. Foss responded.

Ms. Foss exited the meeting at this time.

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 July 2020, a copy of which report is attached hereto as

Exhibit C. After discussion of the report presented, Director Stage 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 Hodge seconded said motion, which unanimously carried.

DISCUSS IMPLEMENTATION OF SENATE BILL 2 ("S.B. 2") AND CONSIDER ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2020 TAX YEAR

Mr. Skinner next presented and reviewed with the Board a memorandum prepared by SPH concerning the new tax rate adoption procedures for special districts pursuant to S.B. 2, a copy of which memorandum is attached hereto as **Exhibit D.** Mr. Skinner noted that the procedures applicable to a particular district will depend, in part, upon whether it is determined to be a "Developed District" pursuant to Texas Water Code Section 49.23602. Mr. Skinner then reviewed with the Board a worksheet completed by Langford to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2020 Tax Year. A copy of the Resolution is included with **Exhibit D.** Following discussion, upon motion made by Director Adamek, seconded by Director Stage and unanimously carried, the attached Resolution was adopted by the Board.

DELINQUENT TAX REPORT

Mr. Skinner next presented to and reviewed with the Board the Delinquent Tax Report, dated August 20, 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 E.** Mr. Skinner noted that no Board action was necessary in connection with any of the accounts reflected in the report.

RECEIVE FINANCIAL ADVISOR'S TAX RATE RECOMMENDATION

The Board deferred consideration of the financial advisor's 2020 tax rate recommendation until the next Board meeting pending receipt of the certified tax roll from the Harris County Appraisal District.

BOOKKEEPER'S REPORT

Mr. Weyand next presented to and reviewed with the Board the Bookkeeper's Report, dated August 20, 2020, a copy of which is attached hereto as **Exhibit F.** Mr. Weyand requested that the Board consider authorizing MAC to make any necessary disbursement in connection with the closing on the Fox Tract acquisition. 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, including the disbursement of any funds related to the acquisition of the Fox Tract, as discussed. Director Hodge seconded the motion, which carried unanimously.

Mr. Weyand also presented to and reviewed with the Board a Quarterly Investment Inventory Report, prepared by MAC, relative to the District's various funds and accounts for the

reporting period ending June 30, 2020, a copy of which report is included with **Exhibit F**. After review of the Quarterly Investment Inventory Report and upon motion duly made by Director Stage, seconded by Director Hodge and carried unanimously, said report was approved and the District's Investment Officer was authorized to execute same on behalf of the Board and the District.

ARBITRAGE COMPLIANCE

Mr. Skinner presented to and reviewed with the Board an engagement letter received from Arbitrage Compliance Specialists ("ACS") to prepare a 10 Year Arbitrage Rebate Report for the District's \$2,445,000 Unlimited Tax Refunding Bonds, Series 2010, and advised that the fee for said report is \$2,950.00. After discussion, Director Stage moved that (i) the engagement letter be approved and that ACS be engaged to prepare a 10 Year Arbitrage Rebate Report for the bond issue described above as recommended by MAC, and (ii) the Texas Ethics Commission ("TEC") Form 1295 submitted by ACS relative to the engagement letter be accepted by the District and that SPH be authorized to acknowledge the District's receipt of same with the TEC. Director Hodge 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 the Board a Progress Report-Landscape Projects prepared by MI, a copy of which report is attached hereto as **Exhibit G**. 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 and the possibility of contacting LSC about working with the District to add trees and landscaping in the area. After discussion, the Board concurred that Messrs. Murr and Davis, along with Director Adamek, be authorized to contact LSC about working with the District to add trees and landscaping in the area.

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 August 20, 2020, a copy of which report is attached hereto as **Exhibit H**, relative to the status of various projects within the District.

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.

STATUS OF ACQUISITION OF PROPERTY FOR REMOTE WATER WELL SITE

Mr. Skinner updated the Board relative to the status of acquisition of the Fox Tract for the possible Remote Water Well site. He noted that the closing for the purchase of said property is scheduled for next Tuesday, August 25, 2020.

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 August 20, 2020; a copy of the report is attached hereto as **Exhibit I**.

Mr. Thiry requested that the Board consider authorizing EDP to purchase a new brush for the automatic bar screen at the Wastewater Treatment Plant at an estimated cost of \$5,980. After discussion, the Board concurred that EDP be authorized to purchase a new brush for the automatic bar screen at the Wastewater Treatment Plant at an estimated cost of \$5,980.

COMMUNICATIONS

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

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 convened in Closed Session at 7:50 p.m., as authorized pursuant to Texas Government Code Section 551.071 and/or Section 551.072. Those in attendance, with the exception of the Board, Mr. Skinner and Mr. Barker, exited at this time. Messrs. Edmonds and Christoph joined the meeting during Closed Session.

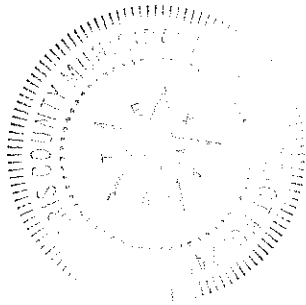
At 8:54 p.m., the Board reconvened in Open Session.

Director Stage moved that (i) Colliers be authorized to negotiate a letter of intent in connection with the potential acquisition of the property discussed in Closed Session, and (ii) the District's consultants be authorized to develop a financial plan for acquisition for its consideration at a future meeting. Director Hodge seconded the motion, which carried unanimously.

ADJOURN

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


Secretary



LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Security Report
- Exhibit B – EVO Report
- Exhibit C – Tax Assessor-Collector's Report
- Exhibit D – Memorandum and Resolution Concerning Developed District Status
- Exhibit E – Delinquent Tax Report
- Exhibit F – Bookkeeper's Report
- Exhibit G – Progress Report-Landscape Projects
- Exhibit H – Engineer's Report
- Exhibit I – Operator's Report
- Exhibit J – Communications Meeting Report