

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

Minutes of Special Meeting of Board of Directors February 25, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 249 (the "District") met in special session, open to the public on February 25, 2021, 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
Willie Hodge, Vice President
Norman Adamek, Secretary
Michael Guillory, Assistant Secretary
Diana Moore, Assistant Secretary

all of whom participated in the meeting via telephone conference call, except Director Hodge, thus constituting a quorum. Director Hodge joined the meeting after the call to order, as noted below.

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"), joined the meeting after the call to order, as noted below; Christie Leighton of Best Trash, LLC ("BT"); 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. Lastly, Mr. Skinner conducted a full roll call of all meeting participants 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.

PROPOSED RATE INCREASE FOR SOLID WASTE COLLECTION 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. Ms. Leighton next discussed with the Board correspondence from BT advising that, effective April 1, 2021, BT will be increasing its monthly fee for garbage collection, disposal and recycling services from \$17.20 to \$17.79 per residence, which is approximately a 3.423 % increase. Mr. Skinner noted that the increase is a standard annual adjustment made pursuant to the terms of the District's agreement with BT, and that the Board will be considering an amendment to the District's Rate Order in connection with said increase at its next meeting. No action was taken by the Board at this time.

Director Hodge joined the meeting during the above discussion.

MINUTES

The Board next reviewed the draft minutes of its meetings held on January 21, 2021 and February 8, 2021. After discussion of the minutes presented, Director Adamek moved that said minutes be approved, as written. Director Guillory seconded said motion, which carried unanimously.

DISTRICT SECURITY

The Board next considered the report regarding District security matters. Mr. Skinner discussed the Harris County Sheriff's Office ("HCSO") security patrol report for January 2021, 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 January 2021, 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 Guillory seconded said motion, which unanimously carried.

DELINQUENT TAX REPORT

Mr. Skinner next presented to and reviewed with the Board the Delinquent Tax Report, dated February 18, 2021, 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 February 25, 2021, a copy of which report 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 Guillory 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 December 31, 2020, a copy of which report is included with **Exhibit D**. After review of the Quarterly Investment Inventory Report and upon motion duly made by Director Adamek, seconded by Director Guillory 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.

LANDSCAPING WITHIN THE DISTRICT

The Board deferred discussion regarding landscaping within the District after noting that no representative of Murr Incorporated was present at the meeting.

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 next presented to and reviewed with the Board the Engineering Report, dated February 25, 2021, a copy of which report is attached hereto as **Exhibit E**, relative to the status of various projects within the District. Mr. Davis informed the Board that a request had been received from the Spring Volunteer Fire Department for water service at the property located north of Lexington Boulevard between Spring Cypress Road and Louetta Road. Mr. Skinner then advised the Board that the District is unable to serve the property because it is located within the jurisdictional boundaries of a Certificate of Convenience and Necessity. Mr. Davis noted that he would advise the Spring Volunteer Fire Department accordingly.

Mr. Murr joined the meeting during the above discussion.

LANDSCAPING WITHIN THE DISTRICT

The Board next discussed landscaping within the District. In connection therewith, Mr. Murr presented a verbal status report on various landscaping projects within the District. Mr. Murr noted that some of the trees that the District planned to use for the Lone Star College landscaping project may have been destroyed during the recent winter storm event. After discussion, Director Adamek moved that MI be authorized to replace any such trees at a cost not to exceed \$3,500. Director Guillory seconded the motion, which carried unanimously.

PROPOSED ANNEXATION OF AND/OR PROVISION OF PERMANENT WATER AND SEWER SERVICE TO SIX FLAGS HURRICAN HARBOR SPLASHTOWN ("SPLASHTOWN")

The Board deferred discussion regarding proposed annexation and/or provision of permanent water and sewer service to Splashtown until later in the meeting.

ANNUAL REVIEW OF WAGE RATE SCALE

Mr. Skinner next presented to the Board for review and approval a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, which is attached hereto as **Exhibit F**. He reviewed various provisions of the Resolution with the Board. Mr. Skinner informed the Board that the District previously adopted the U.S. Department of Labor's wage rates for Harris County, which have recently been updated as of January 2021. After discussion and consideration of the proposed Resolution, Director Adamek moved that the Board adopt the Resolution with Exhibit "A" to same reflecting the updated wage rates for Harris County from the U.S. Department of Labor and that the President and Secretary be authorized to execute same on behalf of the Board and the District. Director Guillory seconded said motion, which unanimously carried.

DRAINAGE EASEMENT LOCATED ON HOMEOWNERS ASSOCIATION'S PROPERTY

A discussion next ensued regarding the Harris County drainage easement extending into the District's Water Plant site. In connection therewith, Mr. Davis reminded the Board that Langford was able to obtain documentation confirming that said easement belongs to the County. No action was taken by the Board at this time.

PROPOSED BOND ISSUE

Mr. Skinner informed the Board that, as previously authorized, Langford has prepared the Bond Application Report for the District's proposed Series 2021 bond issue and provided a draft of same to SPH and the District financial advisor for review.

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 (LEMM GULLY STORMWATER DETENTION BASIN PROJECT)

Mr. Skinner reminded the Board that it previously approved a revised draft Interlocal Agreement between the District and Harris County Flood Control District ("HCFCD") for the Lemm Gully stormwater detention basin project. Mr. Davis then updated the Board regarding the status of Harris County's approval of same.

ISSUANCE OF UTILITY COMMITMENTS

The Board deferred the issuance of utility commitments, as no requests for same had been received.

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 February 18, 2021; a copy of the report is attached hereto as **Exhibit G**. A discussion then ensued regarding the recent winter storm event the possible suspension of penalties, interest and termination of water service for non-payment of water bills. After discussion, the Board concurred that EDP be authorized to suspend the accrual of penalties and interest and the termination of service for non-payment of water bills until the District's next Board meeting.

RENEWAL OF DISTRICT INSURANCE POLICIES

Mr. Skinner presented and reviewed with the Board an insurance proposal from Arthur J. Gallagher ("Gallagher") relative to the renewal of the District's insurance policies which will expire on March 31, 2021, including property, comprehensive boiler and machinery, commercial general liability, pollution liability, pollution cleanup and remediation, excess liability, business travel accident, crime, and directors and officers liability insurance, and the directors position schedule bond. After discussion on the matter, Director Adamek moved that the renewal proposal from Gallagher, a copy of which is attached hereto as **Exhibit H**, be accepted and that the President be authorized to execute same on behalf of the Board and the District. Director Guillory seconded said motion, which unanimously carried.

COMMUNICATIONS REPORT

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 I**.

ATTORNEY'S REPORT

Mr. Skinner presented to and reviewed correspondence received from North Harris County Regional Water Authority advising that, effective April 1, 2021, the North Harris County Regional Water Authority (the "Authority") will increase its groundwater pumpage fee from \$4.25 to \$4.60 per 1,000 gallons, and that the Board will be considering an amendment to the District's Rate Order in connection with said increase at its next meeting.

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

The Board convened in closed session at 8:01 p.m., as authorized pursuant to Texas Government Code Section 551.071. Those in attendance, with the exception of the Board, Mr. Davis, Mr. Skinner and Mr. Barker, exited the meeting at this time.

At 8:36 p.m., the Board reconvened in open session. No action was taken by the Board.

ADJOURN

There being no further business to come before the Board, upon motion duly made by Director Adamek, seconded by Director Guillory 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 Engineer's Report
- Exhibit F Resolution Adopting Prevailing Wage Rate Scale
- Exhibit G Operator's Report
- Exhibit H Insurance Proposal
- Exhibit I Communications Meeting Report