

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 109

Minutes of Meeting of Board of Directors

May 8, 2023

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 109 (the "District") met at 5302 Old Lodge Drive, Houston, Harris County, Texas, on May 8, 2023, in accordance with the duly posted notice for such special public meeting, and the roll was called of the duly constituted officers and members of said Board as follows:

Warren Carroll, President
Vic Robson, Vice President
Allen Schreiber, Secretary
William Lakin, Assistant Secretary
W. Kemp Culbreth, III, Assistant Secretary

all of whom participated in the meeting, thus constituting a quorum.

Also attending the meeting were: Bradley Jenkins and Conner Murphy of Quiddity Engineering, LLC ("Quiddity"); Tommy Merck of Environmental Development Partners, L.L.C. ("EDP"); Karen Sears and Jody McKennon of Storm Water Solutions, LP ("SWS"); and Eric Lai 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 comments offered, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered approval of the minutes of its meeting held on April 10, 2023. Upon discussion, Director Schreiber moved that said minutes be approved, as revised. Director Robson seconded said motion, which unanimously carried.

DETENTION AND DRAINAGE REPORT

Ms. Sears presented to and reviewed with the Board a Storm Water Management Report prepared by SWS, a copy of which is attached hereto as Exhibit A. She reported on the status of the regrading of the backslope swales at Hurst Park detention pond and discussed the clearing of growth on the perimeter chain-link fence. Ms. Sears stated that she will provide the Board with a proposal for such work at its June 12, 2023, meeting.

DELINQUENT TAX REPORT

The Board considered a Delinquent Tax Report prepared by Ted A. Cox, P.C., ("Cox") a copy of which is attached hereto as Exhibit B. Mr. Lai reviewed said report with the Board. Upon review, the Board concurred that no action was required.

OPERATOR'S REPORT

Mr. Merck reviewed with the Board an Operator's Report, a copy of which is attached hereto as Exhibit C, and discussed the information contained therein. He requested authorization for EDP to repair and rebuild the booster pumps identified in the Operator's Report at Water Plant Nos. 1, 2 and 3. He stated that the booster pumps at Water Plant No. 1 have been down for several months. Upon discussion, Director Lakin moved that EDP be authorized to repair and rebuild the booster pumps identified in the Operator's Report at Water Plant Nos. 1, 2 and 3. Director Robson seconded said motion, which unanimously carried.

Mr. Merck reported that EDP received an appeal from a commercial customer for repair of a water leak and that said customer is requesting a refund of approximately \$1,300 for a plumber's invoice. Mr. Merck stated that EDP investigated the water line and determined that there was not a leak on the District's side of the water line. He further stated that the customer requested a new water meter but that EDP determined the existing water meter is working properly. Upon discussion, the Board declined to grant the customer's appeal.

CONSUMER CONFIDENCE REPORT

The Board considered the 2022 Consumer Confidence Report ("CCR"). Mr. Lai reminded the Board that pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the TCEQ, the District is required to provide a report containing various information regarding the District's water supply to all customers of the District by July 1, 2023. After discussion on the matter, Director Lakin moved that the 2022 CCR be approved, subject to SPH's final review of same, and that the operator be authorized to distribute same to the District's customers prior to July 1, 2023. Director Robson seconded the motion, which unanimously carried.

ENGINEERING REPORT

Mr. Jenkins presented to and reviewed with the Board a written Engineering Report dated May 5, 2023, a copy of which is attached hereto as Exhibit D, detailing the status of various projects within the District.

Mr. Jenkins presented to and reviewed with the Board an Engineer's Opinion of Construction Costs for the Motor Control Room Replacement project, a copy of which is attached hereto as Exhibit E. He advised that the current construction estimate is \$1,000,000 higher than originally allocated for in the Series 2022 Bonds. He stated that Option A, which includes construction costs for Water Plant Nos. 2 and 3, is estimated to be in the amount of \$2,532,000, and that Option B, which includes construction costs for Water Plant Nos. 1, 2 and 3, is estimated

to be in the amount of \$4,284,000. The Board inquired as to reason for such drastic increases in the amount of construction costs. Mr. Jenkins stated that the original budget did not take into account certain design limitations on the motor control building at Water Plant No. 1. Upon discussion, Director Lakin moved that Quiddity be authorized to proceed with design and engineering for the Motor Control Room Replacement project at Water Plant Nos. 2 and 3 (Option A). Director Robson seconded said motion, which unanimously carried.

The Board requested that an item be added to the agenda to discuss Board oversight of District projects.

UTILITY COMMITMENTS

The Board considered requests for utility commitments received by the District. Mr. Jenkins reported that RMSphere Asset Management, Inc. is requesting an updated Utility Commitment that includes the construction of multi-family apartments along with a mosque. Mr. Jenkins stated that Quiddity will calculate the tax-exempt tap fee for the mosque, and a tax-exempt tap fee that includes the mosque and apartments. He further stated that Quiddity will prepare an updated cost estimate for the construction of a water line to serve the development. Upon discussion, Director Lakin moved that Quiddity be authorized to (i) prepare a tax-exempt tap fee for the mosque, and a tax-exempt tap fee that includes the mosque and apartments, and (ii) prepare a cost estimate for the construction of a water line to serve the development, subject to receipt of a developer deposit. Director Robson seconded said motion, which unanimously carried.

Ms. Sears and Ms. McKennon exited the meeting at this time.

F.M. 1960 SIDEWALK AND/OR EXPANSION PROJECT BY TEXAS DEPARTMENT OF TRANSPORTATION ("TXDOT")

Mr. Lai reported that SPH will send out three initial offer letters to those certain property owners affected by the TxDOT F.M. 1960 sidewalk and/or road expansion project. Mr. Jenkins stated that Quiddity will contact those affected property owners prior to SPH sending the letters so that they may address any concerns.

AMENDMENT TO SANITARY SEWER TREATMENT CONTRACT BY AND BETWEEN THE DISTRICT AND HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 202 ("NO. 202")

The Board deferred action concerning the amendment to the Sanitary Sewer Treatment Contract by and between the District and No. 202.

F.M. 1960 GREEN MEDIANS PROJECT

Director Carroll reported to the Board regarding the activities of the F.M. 1960 Green Medians Joint Powers Board. He stated that the next meeting will be held on August 1, 2023.

UNCLAIMED PROPERTY REPORT

The Board deferred approval of an Unclaimed Property Report as of March 1, 2023. Mr. Lai stated that there may be funds that will be reported to the Comptroller and that the District's Bookkeeper will present a report to the Board concerning same at its May 22, 2023, meeting.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. Mr. Lai stated that he did not have anything to report to the Board of a legal nature that was not already addressed under an agenda item.

FUTURE AGENDAS

Other than as discussed earlier in the meeting and reflected above, there were no additional agenda items requested.

ADJOURNMENT

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

Allen Schreiber, Secretary
Board of Directors

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 109

List of Exhibits

- Exhibit A Storm Water Management Report
- Exhibit B Delinquent Tax Report
- Exhibit C Operator's Report
- Exhibit D Engineering Report
- Exhibit E Engineer's Opinion of Construction Costs

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