

# **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 109**

## **Minutes of Meeting of Board of Directors**

June 12, 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 June 12, 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, except Director Culbreth, 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 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 May 8, 2023. Upon discussion, Director Lakin moved that said minutes be approved, as presented. Director Schreiber seconded said motion, which unanimously carried.

### **DETENTION AND DRAINAGE REPORT**

Ms. Sears stated that she did not have the Storm Water Management Report nor the associated proposals to be considered by the Board and requested that the Board defer action until its July 10, 2023, meeting. She discussed with the Board several fallen trees in the District and noted that one tree was already removed.

## **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 A. 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 B, and discussed the information contained therein. He noted high water accountability this month and stated that EDP is looking into the cause.

Mr. Merck reported that EDP received an appeal from a customer for high water usage due to a water leak. Mr. Merck stated that the customer's historic usage was approximately 6,000 gallons per month, but that recent usage had increased to 17,000 gallons. He further stated that EDP investigated the water line and determined the leak was not on the District's side of the water line. Instead, the leak appeared to be coming from the user's side. Upon discussion, the Board declined to grant the customer's appeal.

Mr. Merck then presented to and reviewed with the Board a Summary of Recommended Repairs ("Summary") for those items identified in the Water Plant Inspection Report, a copy of which is attached hereto as Exhibit C. Mr. Merck stated that he would be updating this chart based on the progress of the listed projects and that EDP would coordinate with Quiddity regarding same, as necessary.

Mr. Lai advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District, and (b) immediately upon any change in the information to the above entities, as well as to the office of emergency management of Harris County, the Public Utility Commission of Texas, and the division of emergency management of the governor. Mr. Merck advised that EDP would provide the annual update and, if required, any changes to the information to the appropriate entities. Upon discussion, Director Lakin moved that EDP be authorized to submit the annual update on behalf of the Board and District. Director Schreiber seconded said motion, which unanimously carried.

## **ENGINEERING REPORT**

Mr. Jenkins presented to and reviewed with the Board a written Engineering Report dated June 9, 2023, a copy of which is attached hereto as Exhibit D, detailing the status of various projects within the District.

Mr. Jenkins reported to the Board that four (4) bids were received for the construction of an eight-inch sanitary sewer line to serve the Northwest Petroleum tract. He then presented to and reviewed with the Board a bid tabulation and stated that Bull G Construction submitted the low bid in the amount of \$61,620,000, and that Quiddity is recommending that the contract be awarded

to Bull G Construction. A copy of a Recommendation of Award is attached hereto as Exhibit E. Upon discussion, Director Lakin moved that the contract be awarded to Bull G Construction for the construction of an eight-inch sanitary sewer line to serve the Northwest Petroleum tract. Director Robson seconded said motion, which unanimously carried.

### **UTILITY COMMITMENTS**

The Board considered requests for utility commitments received by the District. Upon discussion, Director Lakin moved that (i) a Utility Commitment for RMSphere Asset Management, Inc. ("RMSphere") be approved, (ii) Quiddity be authorized to send a letter to RMSphere regarding the tax-exempt tap fee and preliminary costs for the construction of a twelve-inch water line extension to serve the development, and (iii) the Quiddity memo concerning an estimate of engineering costs for construction of the twelve-inch water line be approved as presented, copies of which are included with Exhibit D. Director Robson seconded said motion, which unanimously carried.

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

Mr. Lai reported that SPH sent out three initial offer letters to those certain property owners affected by the TxDOT F.M. 1960 sidewalk and/or road expansion project.

### **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 that the next meeting to discuss the F.M. 1960 Green Medians Project would will be held on August 1, 2023.

### **RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE DISTRICT**

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Lai presented to and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the list submitted and the list previously adopted by the Board, copies of which are attached hereto as Exhibit F. Mr. Lai further noted that the broker list presented is a list of institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Schreiber moved that: (i) the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in

Investment Transactions with the District be approved by the Board and the District, and (ii) that the President and Secretary be authorized to execute same. Director Lakin seconded said motion, which unanimously carried.

### **VOTING SYSTEM ANNUAL FILING FORM**

The Board next considered the completion, execution and filing with the Secretary of State's Office of a Voting System Annual Filing Form ("Form"). Mr. Lai advised the Board that, pursuant to 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 on the Form, Director Schreiber moved that SPH be authorized to complete the Form and file same with the Secretary of State's Office, as required by law, when and if received. Director Robson seconded said motion, which unanimously carried.

### **RECORDS MANAGEMENT REQUEST**

Mr. Lai reported that the District's General Records Retention Schedule (the "Schedule") adopted in connection with its Records Management Program requires that notes taken during meetings and which are used to prepare the official minutes of Board meetings be retained only for ninety days after approval of such minutes by the Board. He presented a request from the Records Management Officer for approval to destroy all such notes from February 14, 2022, to February 13, 2023, as allowed by the Schedule, a copy of which is attached hereto as Exhibit G. After discussion, Director Lakin moved that SPH be authorized to destroy said notes. Director Robson seconded said motion, which carried unanimously.

### **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 Lakin, seconded by Director Robson, and unanimously carried, the meeting was adjourned.

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Allen Schreiber, Secretary  
Board of Directors

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**List of Exhibits**

- Exhibit A Delinquent Tax Report
- Exhibit B Operator's Report
- Exhibit C Summary of Recommended Repairs at Water Plant
- Exhibit D Engineering Report
- Exhibit E Recommendation of Award
- Exhibit F Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District
- Exhibit G Records Management Request

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