

MINUTES OF BOARD OF DIRECTORS MEETING
JUNE 16, 2020

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

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The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 109 (the “*District*”) convened in regular session on Tuesday, June 16, 2020 at 6:00 p.m. via videoconference pursuant to Section 551.125, Texas Gov’t Code as modified by the temporary suspension of certain provisions thereof pursuant to guidelines issued by the Texas Attorney General and approved by the Governor for use during the COVID-19 statewide disaster. A roll call was taken of the persons present:

Owen H. Parker, President
Chris Green, Vice President
Cheryl Moore, Secretary
Robin Sulpizio, Assistant Secretary
Nancy Frank, Assistant Secretary

All members of the Board were present. Also attending all or parts of the meeting were Mr. Cory Burton of Municipal Accounts & Consulting, LP, bookkeeper for the District; Mr. Tim Spencer of Ad Valorem Appraisals, tax assessor and collector for the District; Mr. Bill Kotlan of BGE, Inc. (“BGE”), engineer for the District; Mr. Clint Gehrke of Water Waste Water Management Services, Inc. (“WWWMS”), operator for the District; and Mr. Dimitri Millas and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District.

Pursuant to Section 551.054, Texas Gov’t Code, as modified by the temporary suspension of certain provisions thereof, notice of the meeting was posted on the District’s website within the time limits prescribed by law. The agenda packet was posted on the website as items became available. Certificates of such posting are attached hereto as *Exhibit A*.

Call to Order. The President called the meeting to order. He noted that the meeting was being held by teleconference in accordance with federal, state and county directives to slow the spread of COVID-19 by avoiding meetings that bring people together. He said the notice of the meeting included a toll-free dial-in number for members of the public to call so they can hear the meeting and address the Board. He noted that the meeting was being recorded and a recording would be available upon public request. The President then set out guidelines for the conduct of the meeting. He asked each speaker to identify themselves before speaking. He then proceeded with the meeting business:

1. **Public Comments.** There were no public comments.
2. **Minutes.** The Board considered the proposed minutes of a meetings held on May 19, 2020, previously distributed to the Board. Upon motion by Director Sulpizio, seconded by Green, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meetings held on May 19, 2020.
3. **Security Report.** The Board reviewed the Security Report for the month of May 2020, which was previously distributed to the Board. A copy of the Security Report is attached hereto as *Exhibit B*.

4. **Tax Collector's Report and authorize payment of certain bills.** President Parker recognized Mr. Spencer, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of May 2020, a copy of which is attached hereto as *Exhibit C*.

Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report and to authorize payment of check numbers 2035 through 2041, from the Tax Account to the persons, in the amounts, and for the purposes listed therein.

5. **Review Bookkeeper's Report.** President Parker recognized Mr. Burton, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as *Exhibit D*. Mr. Burton reviewed disbursements from the General Operating Fund.

Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, to authorize payment of the checks in the amounts, to the persons, and for the purposes listed therein.

6. **Engineer's Report.** President Parker recognized Mr. Kotlan, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit E*.

Mr. Kotlan stated that BGE received information regarding the renewal of two storm water quality permits. He stated that the District has three permits that include Rivergrove Section 3, Rivergrove Section 4 and Kings Lake Estates Section 8. He recommended that the District authorize BGE to renew the permits and to combine the three permits into one permit.

Mr. Kotlan reviewed with annual Tank Inspection Report with the Board, a copy of which is attached to the Engineer's Report. He stated that the report found areas of corrosion that were also noted in previous reports. He stated that the tank rehabilitation/replacement is on the Capital Improvement Plan for 2021 to 2022.

Mr. Kotlan presented for the Board's approval Pay Estimate No. 2 to Nova Painting, LLC in the amount of \$41,760.00 for the Water Plant No. 1 EST Rehabilitation.

Mr. Kotlan presented for the Board's approval Pay Estimate No. 3 to T&G Services in the amount of \$58,010.00 for the Lift Station Rehabilitations, Phase I.

Mr. Kotlan stated that BGE has not received the executed copies of the Texas Department of Transportation's ("TxDOT") Standard Utility Agreement or Advanced Funding Agreement. He stated that the western side of the FM 1960 project that affects the District is scheduled to bid in July and the eastern side of FM 1960 project is delayed.

Upon motion by Director Green, seconded by Director Moore, after full discussion and the question being put to the Board, the Board voted unanimously to (1) accept the Engineer's Report; (2) authorize BGE to combine and renew the stormwater quality permits; (3) approve Pay Estimate No. 2 to Nova Painting, LLC in the amount of \$41,760.00; and (4) approve Pay Estimate No. 3 to T&G Services in the amount of \$58,010.00.

7. **Review Operations Report and authorize repairs.** President Parker recognized Mr. Gehrke, who presented the Operations Report dated June 16, 2020 and a list of delinquent accounts, copies of which are attached hereto as *Exhibit F*. Mr. Gehrke reported that 93% of the water pumped was billed for the period May 1, 2020 through May 31, 2020.

The Board discussed the delinquent process. It was the consensus of the Board to have WWWMS continue to deliver delinquent notices, but to not terminate services, and to further discuss the termination process at the July board meeting.

Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and foregoing minutes were passed and approved by the Board of Directors on July 21, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)