

MINUTES OF MEETING OF BOARD OF DIRECTORS
JULY 11, 2023

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 50 (the "District") met in regular session, open to the public, at 12900 Crosby Lynchburg Road, Crosby, Texas, on July 11, 2023, at 6:00 p.m.; whereupon the roll was called of the Board, to-wit:

Andrew Sonnier, President
Martin Lemond, Vice President
Alice Dangerfield, Secretary
Daryl Johnson, Investment
Officer/Treasurer
Vacant, Assistant Secretary

All members of the Board were present, excluding Director Dangerfield, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Cassandra Clark, visitor; Ms. Kandy Pfeffer of Elite Bookkeeping ("Elite"), bookkeepers for the District; Mr. John Hall, District Advisor; Ms. Maria Acuna, District Office Supervisor; Mr. Charles Graham and Ms. Jane Maher of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District; Ms. Amber Hurd of Cobb Fendley & Associates, Inc. ("Cobb Fendley"), engineers for the District; and Mr. John Montgomery of Municipal Operations & Consulting ("MOC"), operator for the District.

Call to Order. Mr. Graham called the meeting to order in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as *Exhibit A*, and the following business was transacted:

1. **Public comments.** There were no public comments.

2. **Approve Minutes from June 13, 2023.** The Board reviewed the minutes of the meeting held on June 13, 2023, copies of which were previously distributed to the Board.

Upon motion by Director Sonnier, seconded by Director Johnson, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of June 13, 2023, as presented.

3. **Qualify and appoint director.** Ms. Clark presented her voter registration card. Mr. Graham stated that NRF would verify the address. It was the consensus of the Board to table this item until the next meeting.

4. **Election of officers.** It was the consensus of the Board to table this item until the next meeting.

5. **Review Ethics Policy and take appropriate action.** Mr. Graham presented to and reviewed with the Board the Ethics Policy, a copy of which is attached hereto as *Exhibit B*. He stated that with the passing of House Bill 2815, the Board can increase director per diems to the rate set by the Texas Ethics Commission for members of the legislature under Section 24a, Article III, Texas Constitution, which is currently \$221. He noted that the Board can choose any rate up to \$221, and that the yearly cap remains the same at \$7,200 per year. Director Johnson stated that the rate was

increased to \$200 at the last bookkeeper/tax assessor meeting. Mr. Graham requested a motion to ratify. Upon motion by Director Lemond, seconded by Director Johnson, after full discussion and the question being put to the Board, the Board voted unanimously to ratify the motion to increase the director per diem rate to \$200.

6. **Review Reimbursement Agreement and take appropriate action.** Mr. Graham, presented to and reviewed with the Board the Reimbursement Agreement for 435 Slumber Lane Forcemain (the "Reimbursement Agreement"), a copy of which is attached hereto as *Exhibit C*. He noted that the Reimbursement Agreement allows for two forcemain connections, excluding the resident's connection.

Upon motion by Director Sonnier, seconded by Director Johnson, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Reimbursement Agreement. Ms. Acuna stated that she would forward NRF the receipts to attach as the exhibit.

7. **Review and approve Engineer's Report and take such other action that may be necessary for District projects.** Mr. Graham recognized Ms. Hurd, who presented to and reviewed with the Board for approval of the Engineer's Report, a copy of which is attached hereto as *Exhibit D*.

Applications for service:

Barrett Station – Ms. Hurd stated that Cobb Fendley reviewed a tap request for 520 Reuben White, 419 Pecan, 135 ½ Cottontail and 548 Cottontail.

Kodiak Crossing Section 4 – There was no report.

Highway 90 Apartments – There was no report.

Arredondo Addition (830 FM 1942) – There was no report.

Finnels Estate 832 FM 1942/12921 Eagleton Lane – There was no report.

12416 Alma (154 Felton) – There was no report.

Bradley RV Park 244 FM 1942 – Ms. Hurd stated that Cobb Fendley submitted a permit application to Texas Department of Transportation ("TxDOT") for the water tap. She noted that TxDOT wants a note added to the drawings and that Cobb Fendley has sent an email to the developer's engineer to update the drawing.

2100 Hwy 90 Hotel at Crosby – Ms. Hurd stated Cobb Fendley is working on platting and requested record drawings of Kodiak Crossing Section 2.

210 FM 1942 Creekside Apartments – There was no report.

Riley Chambers Park Head Start – Ms. Hurd stated that Cobb Fendley is working with MOC on the tap quote.

Saltibus Place – There was no report.

624 E. St. Charles and 0 Zinn – There was no report.

303 Gulf Pump – There was no report.

Turner Chevrolet – Ms. Hurd stated that Cobb Fendley received the drawings and plan review fee and are beginning to review the plans.

12510 Crosby Lynchburg – There was no report.

Equine Center – There was no report.

308 Slumber – Ms. Hurd reviewed the utility commitment letter for a replat into two lots.

Design Projects:

Drinking Water State Revolving Fund (DWSRF) 2016 Water Plant 3 – Ms. Hurd stated that Cobb Fendley were able to contact the owner of 701 Red Oak and that the house is a rental and Zillow estimates value at \$192,000. She noted that the next step would be to put together a proposal for acquiring the property.

Barrett Station Drainage Improvements – Ms. Hurd stated that the project is getting ready to bid.

FM 1942 and Eagleton Lane Forcemain Extension – Ms. Hurd stated that Cobb Fendley received TxDOT and Harris County approval and that MOC is working on obtaining quotes.

WWTP No. 1 Improvements – Ms. Hurd stated that Cobb Fendley received County comments and are addressing them.

Construction Projects:

Penn Street Utility Extension – Ms. Hurd stated that the final tie-in of water line is in progress. She state that she will let Mr. Alfred know that the extension is done. She noted that the taps will still need to be paid. Discussion ensued. She also noted that he will also need to pay fo the grinder pump and inspections.

General District Engineering:

HGSD Grant Shower Head Replacement – Ms. Hurd stated that this is the last month of the grant program.

Capital Improvement Plan – There was no report.

Dreamland Drainage Improvements – Ms. Hurd stated that the project is getting ready to bid.

Water Conservation Plan – There was no report.

Groundwater Reduction Plan – Ms. Hurd stated that the appraisal of 12720 Crosby Lynchburg Road is in progress and that Cobb Fendley is reviewing the SJRA's new water supply contract.

Water/Sewer Capacity Status – Ms. Hurd reviewed a list of current utility commitments with the Board.

TPDES Permit Renewal – Ms. Hurd stated that the final permit for WWTP 1 was issued on May 12, 2023. She noted that Cobb Fendley has reviewed the draft for plant 2 and are waiting to

receive the final permit.

Upon motion by Director Johnson, seconded by Director Sonnier, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report and the utility commitment letter for 308 Slumber.

Upon motion by Director Johnson, seconded by Director Sonnier, after full discussion and the question being put to the Board, the Board voted unanimously to send the bill to the customers on Penn Street.

8. **Review Operations Report and authorize repairs.** Mr. Graham recognized Mr. Montgomery, who presented to and reviewed with the Board the Operation's Report, a copy which is attached hereto as *Exhibit E*. Mr. Montgomery reported that the District's water accountability with leaks and flushing were at 79%.

Mr. Montgomery reported on various maintenance items.

Mr. Montgomery requested that the consideration of a contract amendment for a CPI increase be placed on the next agenda.

Ms. Acuna discussed the District's rate order and the multiplier. She stated that she needs to verify how many accounts were grandfathered.

Upon motion by Director Sonnier, seconded by Director Johnson, after full discussion and the question being put to the Board, the Board voted unanimously to approve to the Operation's Report.

9. **Discuss District matters and take necessary action.** Mr. Graham recognized Ms. Acuna, who stated she did not have a report.

10. **Strategic Consultant Report.** President Sonnier executed the quote from FMX for the asset management plan, a copy of which is attached hereto as *Exhibit F*. Ms. Pfeffer requested that for the Bookkeeper/Tax Assessor agenda to include a resolution consolidating books for the reserve and general fund and to close the accounts at Wells Fargo and move them to Texas CLASS.

Mr. Hall discussed the infrastructure bill and stated that if the District meets the criteria of being disadvantaged, the District can apply for two projects.

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 August 1, 2023.



President, Board of Directors

ATTEST:



Secretary, Board of Directors