

MINUTES OF MEETING OF BOARD OF DIRECTORS
MAY 7, 2024

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 May 7, 2024, 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
Cassandra Clark, Assistant Secretary

Directors Sonnier, Lemond, and Clark attended in person. Also attending all or parts of the meeting were Ms. Maria Jones, District Office Supervisor; Mr. Michael Haley, employee of the District; Mr. Reginald Wilson, Ms. Jane Maher, and Ms. Jessica Leung 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; Mr. John Montgomery of Municipal Operations & Consulting ("MOC"), operator for the District; Mr. Nick Sobrino, Mr. Adell Bradley, Jr., Ms. Felicia Guridys, and Ms. Elizabeth Sanchez residents of the District, and Mr. David Parker, owner of the management company for Sleep Inn ("Inn").

Call to Order. Mr. Wilson 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.** Mr. Bradley stated that he is in the process of receiving approval for his stormwater quality permit from Harris County. He requested the follow from the District: (1) redrawing/removal of the detention basin from his plans, (2) relocating the District's driveway four (4) feet away from his property, and (3) relocating the District's access gate. He said that a property line survey is also needed to identify all available space for his development. He requested the District to assume the cost for altering the original drawings of his development because his engineer was charging an amount that he felt is not his responsibility. Mr. Wilson said he and the Board will perform due diligence and further discuss the request.

Ms. Guiridys and Sanchez requested a quote to receive water and sewer services at 144 Barrett Road, Lot 1. Ms. Jones said she will send a quote to them.

Mr. Parker thanked the Board for their dedication. He stated that the Inn locates within the District but receives water service from Crosby Municipal Utility District ("Crosby MUD") as an out-of-district commercial payer. He said that increase Crosby MUD placed on the Inn is 4 to 5 times higher than industry standard, averaging \$5,000 a month. Mr. Parker requested deannexation from the District so that the Inn may be annexed into Crosby MUD. The Board thanked him for his attendance and notated that it would discuss all options moving forward.

2. **Approve Minutes from March 22, 2024 and April 2, 2024.** The Board reviewed the minutes of the meeting held on March 22, 2024, and April 2, 2024, copies of which were previously distributed to the Board.

Upon motion by Director Lemond, seconded by Director Clark, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of March 22, 2024, and April 2, 2024, as revised.

3. **Review Operations Report and authorize repairs.** Mr. Wilson recognized Mr. Montgomery, who presented to and reviewed with the Board the Operation's Report, a copy which is attached hereto as *Exhibit B*. Mr. Montgomery reported that the District's water accountability with leaks and flushing were at 87%.

Mr. Montgomery stated that the Texas Commission of Environmental Quality ("TCEQ") requested the initial documentation of three of the District's wells. He stated the documentation can no longer be located as they dated back over 40 years. He requested the Board's approval to authorize Cobb Fendley to move forward with applying for a variance in order to avoid penalties due to potential violations. Extensive discussion ensued. Upon motion by Director Sonnier, seconded by Director Lemond, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Cobb Fendley to move forward with applying for variance.

Bal Habor Forcemain reroute - Mr. Montgomery recommended that the District to respond to TCEQ's request for a survey. Ms. Hurd presented a proposal in the amount of \$174,915 for the Bal Harbor Force Main Re-Route, a copy of which is attached hereto as *Exhibit C*. Upon motion by Director Sonnier, seconded by Director Lemond, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Mr. Montgomery to respond to TCEQ and to approve the proposal from Cobb Fendley in the amount of \$174,915.

Mr. Montgomery presented to and reviewed with the Board the Consumer Confidence Report ("CCR"). 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 to the CCR.

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

4. **Approve Consumer Confidence Report.** This item has been approved during the operator's report.

5. **Review and approve Engineer's Report and take such other action that may be necessary for District projects.** Mr. Wilson 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 tap requests for 12216 Myrtle, 111 Reuben White, 645 E. St. Charles, 606 Elm, and 114 E. St. Charles..

Kodiak Crossing Section 4 – Ms. Hurd stated that Cobb Fendley is working on documents to extend the bond application approval.

Barnaba Estates (830 FM 1942) – Ms. Hurd stated that tap quotes are pending the recorded plat.

Arredondo Addition (830 FM 1942) – Ms. Hurd stated that the taps are installed.

Finnels Estate 832 FM 1942/12921 Eagleton Lane – Ms. Hurd stated that the tap is installed.

2100 Hwy 90 Hotel at Crosby – There was no report.

210 FM 1942 Creekside Apartments – Ms. Hurd stated that plans have been submitted to TxDOT for the tap and manhole installation approval.

0 E. St. Charles – Ms. Hurd stated that Cobb Fendley received the customer payment and issued a Utility Commitment Letter for 1 ESFC for a replat.

13111 Crosby Lynchburg – Ms. Hurd stated that Cobb Fendley has provided plan review comments to the civil site designer.

303 Gulf Pump – Ms. Hurd stated that Cobb Fendley received customer payment and issued a Utility Commitment Letter to serve 2 ESFC for a replat.

314 Slumber – Ms. Hurd stated that Cobb Fendley received customer payment and issued a Utility Commitment Letter to serve 2 ESFC for a replat.

13415 Blanchard – Ms. Hurd stated that customer payment is pending for a Utility Commitment Letter to serve 3 ESFC for a replat.

Guridys Acres (Felton Road) – Ms. Hurd stated that lots platted as Guridys Acres have requested service. She stated that the proposed forcemain is \$24,964.21 and 4" water was quoted for \$31,357.92.

12617 Crosby Lynchburg – Ms. Hurd presented to the Board a draft Utility Commitment:letter to serve 1 ESFC for a plat and requested for the Board's approval. Upon motion by Director Sonnier, seconded by Director Clark, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Utility Commitment Letter to serve 1 ESFC and add language that water connection is contingent to revising the plat drawing.

726 E. St. Charles – Ms. Hurd presented to the Board a draft Utility Commitment letter to serve 3 ESFC for a replat and asked for approval Upon motion by Director Sonnier, seconded by Director Lemond, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Utility Commitment Letter to serve.

District Projects:

Drinking Water State Revolving Fund (DWSRF) 2016 Water Plant 3 – Ms. Hurd stated that the proposed improvements are an 80,000 gallon ground storage tank, 15,000 gallon hydropneumatic tank, three booster pumps, chlorine disinfection system, diesel emergency backup generator, motor control center, electrical improvements, fencing, driveway, and site work. She noted that Cobb Fendley received a letter from the Texas Water Development Board ("TWDB") approving the use of surplus funds. She noted that TWDB has given the District a six-month timeline to submit an environmental study. She stated that the property appraisal is in process.

WWTP No. 1 Improvements – Ms. Hurd stated that the proposed improvements are the expanded chlorine basin, proposed digester, blowers, electrical upgrades. She reported that the project has been submitted for funding to Harris County CDBG. The County is requiring that Cobb Fendley has environmental study complete by May 24th to be considered for funding. Ms. Hurd stated that she coordinated with Ms. Auzenne and solicited a proposal from Compass Environmental Solutions in the amount of \$6,500 for Phase 1 study. She said that she will meeting with the reviewer for a site inspection on Monday. Upon motion by Director Sonnier, seconded by Director Clark, after full discussion and the question being put to the Board, the Board voted unanimously to approve the proposal from Compass Environmental Solutions in the amount of \$6,500.

A. Discuss groundwater reduction plan and take necessary action.

B. Discuss Harris County Coordination and take necessary action.

Construction Projects:

Dreamland Place Phase 1 Drainage Improvements – Ms. Hurd stated that CE Barker's work is underway. She noted that the County shared a change order document for re-laying the sewer on Slumber, Jean LaFitte, and Fontaine in the amount of \$467, 893. Contractor is planning to start the sewer work this month.

Barrett Station Phase 2 Drainage Improvements – Ms. Hurd stated that Texas Materials Group is actively under construction. She stated that Cobb Fendley has received a Request for Information related to a water meter relocation.

General District Engineering:

Capital Improvement Plan – There was no report.

Water Conservation Plan – There was no report.

Groundwater Reduction Plan – Ms. Hurd stated that the Groundwater Reduction Plan is being reviewed by Harris Galveston Subsidence District's consultant. She also stated that the draft contract from SJRA has been reviewed and comments provided back from the District consultants.

The Board had extensive discussions regarding various funding options for future projects and water line deannexation from Crosby MUD. Mr. Wilson recommends Cobb Fendley to coordinate with the financial advisor to present their analysis at the next meeting

Underserved Area Request – Ms. Hurd stated that Cobb Fendley was contacted by 5Engineering about an underserved area near the District. They are working for Harris County to identify 47 areas that need public water and sewer service. They anticipate applying for grant funding that would pay for any extension and plant upgrade costs. The area has 129 residences. They are asking for the Board's level of interest in serving this area. Discussion ensued. Board is interested in learning more.

Bal Harbor Forcemain – This item was discussed during the operator's report.

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

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

6. **Discuss Rate Order.** Mr. Wilson presented to and reviewed with the Board the Rate Order, a copy of which is attached hereto as *Exhibit E*. Mr. Wilson noted that Acadian Gardens should be revised to out-of-district customers. Director Johnson proposed revisions to the commercial water service rate for Out-of-District Customers is as follows:

Gallons of Water Used	Water Rate
0-2,000 gallons	\$90.00 flat fee
2,001-3,000 gallons	\$99.00 flat fee
3,001-4,000 gallons	\$108.00 flat fee
4,001-5,000 gallons	\$117.00 flat fee
5,001 and thereafter	\$9.00 per 1,000 gallons

Upon motion by Director Sonnier, seconded by Director Lemond, after full discussion and the question being put to the Board, the Board voted unanimously to approve the proposed revisions to the Rate Order to be effective May 1, 2024.

7. **Discuss District matters and take necessary action.** Mr. Wilson recognized Ms. Jones, who presented to and reviewed with the Board the District Matters Report, a copy of which is attached hereto as *Exhibit F*. She stated that there were 114 leaks detected in the District.

Director Sonnier stated that the District needs a new lawn mower. Upon motion by Director Lemond, seconded by Director Clark, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Board to solicit quotes for lawn mowing.

Barrett Youth Enrichment Summer Camp responded to the Board's questions regarding sponsorship request for a field trip to Pirate's Bay in the amount of \$1,500, a copy of which is attached hereto as *Exhibit G*. Upon motion by Director Sonnier, seconded by Director Lemond, after full discussion and the question being put to the Board, the Board voted unanimously to approve sponsorship to Barrett Youth Enrichment Summer Camp field trip in the amount of \$1,500.

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 District Matters Report.

8. **Strategic Consultant Report.** There was no report.

9. **Cyber security training reminder.** Ms. Jones will be sending reminders for cyber security training.

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 June 4, 2024.



President, Board of Directors

ATTEST:



Secretary, Board of Directors