

MINUTES OF MEETING OF BOARD OF DIRECTORS
JUNE 16, 2021

THE STATE OF TEXAS

COUNTY OF HARRIS

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 132

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The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 132 (the “*District*”) convened for its special session on June 16, 2021 at 3:00 p.m. via videoconference and teleconference in compliance with guidelines promulgated by the Texas Attorney General for use during the COVID-19 statewide disaster in connection with the temporary suspension of certain provisions of the Open Meetings Laws approved by the Office of the Governor of Texas. The President conducted a roll call of the directors named below:

Tim Stine, President
Don House, Vice President
Jerrold Holder, Secretary
Michael Whitaker, Assistant Secretary
Gregg Mielke, Assistant Secretary

All directors were present except Director Holder, thus constituting a quorum. The President determined the following additional persons were present: Mr. Nick Bailey of BGE, Inc. (“BGE”), engineers for the District; Ms. Lina Loaiza of Bob Leared Interests, Tax Assessor and Collector for the District; Ms. Wendi Devita of Myrtle Cruz, Inc. (“MCI”), bookkeepers for the District; Mr. Allen Jenkins and Mr. Robert Miller of Inframark (“Inframark”), operator of the District’s facilities; and Ms. Kathleen Ellison 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. A certificate of such posting is attached hereto as *Exhibit A*. The agenda packet was posted on the website as items became available in compliance with the guidelines issued by the Texas Attorney General.

Call to Order. The President called the meeting to order. He noted that the meeting was being held by videoconference and 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.** Proposed minutes of the meeting of May 20, 2021, previously distributed to the Board, were presented for approval. Upon motion by Director Mielke, seconded by Director

House, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of May 20, 2021, as presented.

3. **Review Tax Collector's Report and authorize payment of certain bills.** The President recognized Ms. Loaiza, who presented the Tax Assessor and Collector's Report, previously distributed to the Board, a copy of which is attached hereto as *Exhibit B*. She reported that 99.47% of the District's 2019 taxes and 98.40% of the District's 2020 taxes had been collected as of May 31, 2021.

Upon motion by Director House, seconded by Director Whitaker, 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 1661 through 1672 from the Tax Account to the persons, in the amounts, for the purposes stated in the report.

4. **Review Bookkeeper's Report, authorize payment of bills and approve Investment Report.** The President recognized Ms. Devita, who presented the Bookkeeper's Report, the Investment Report, and the Deposit Collateral Report, a copy of which is attached hereto as *Exhibit C*.

Upon motion by Director House, seconded by Director Mielke, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report and to authorize payment of check numbers 11100 through 11139 from the Operating Account to the persons, in the amounts, and for the purposes stated therein.

5. **Review Operations Report and authorize District maintenance and termination of delinquent account.** The President recognized Mr. Jenkins, who reviewed the Operations Report for May 2021, a copy of which is attached as *Exhibit D*. He reported a 90.30% accountability for the period April 29, 2021 through May 28, 2021.

Mr. Jenkins reviewed the Major Maintenance Summary for May 2021.

Mr. Jenkins reported on the motor rebuild for the generator at Lift Station No. 1. He stated that the pistons for the Cummins generator were shipped and should arrive by next week.

Mr. Jenkins reviewed the Water Accountability Historical Report and stated that he would verify if 4,000,000 gallons of water were used in the FM 1960 water main relocation project by the State's contractors. Discussion ensued.

Mr. Jenkins reviewed the delinquent statistics. He reported that 81 letters were mailed, 33 delinquent tags were hung, and that four accounts were disconnected for non-payment. He requested authorization to turn three accounts totaling \$519.21 over to Collections Unlimited of Texas.

Discussion ensued regarding the waterline replacement along Atascocita Shores Drive. Upon inquiry from Director Mielke, Mr. Bailey stated that the contractor has to pile dirt in people's yards because under new Harris County regulations he can no longer use the street. Mr. Bailey said the BGE field inspector was talking to residents.

Upon motion by Director Mielke, seconded by Director Whitaker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, approve termination of the delinquent accounts in accordance with the Rate Order, and to turn three accounts totaling \$519.21 over to Collections Unlimited of Texas.

6. Review Engineer's Report, authorize necessary capital projects and authorize capacity commitments. The President recognized Mr. Bailey, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit E*.

Mr. Bailey stated that BGE will begin performing the annual tank inspections this summer. He also stated that BGE is moving forward on the design of the rehabilitation of the Water Plant No. 2 Welded Ground Storage Tank and Water Plant No. 1 Hydropneumatic Tank No. 2.

Mr. Bailey reported on the Waterline Replacement, Phase 2 and stated that the contractor, Android Construction Services, LLC, continues the waterline installation on Atascocita Shores Drive. He presented Pay Estimate No. 2 in the amount of \$66,228.20 for the Board's approval.

Mr. Bailey reported on the Waterline Replacement, Phase 3 and stated that BGE submitted the construction plans to Harris County and the City of Houston for review.

Mr. Bailey stated that the contractor for the Rehabilitation of Lift Station Nos. 2 and 3, T. Gray Utility & Rehab, has started the bypass pumping at Lift Station No. 3 and is moving forward with the rehabilitation work, including replacement of the control panel.

Mr. Bailey reported on the Auxiliary Generator at Lift Station No. 1 and stated that BGE is still holding the bids received on March 31, 2021, with the lowest bid submitted by C.F. McDonald Electric in the amount of \$278,469. He noted that the scope includes a new natural gas generator and automatic transfer switch, as well as removal and replacement of the concrete pad.

Mr. Bailey reviewed the list of areas for potential drainage improvements. He stated that BGE is moving forward with the advertising for bids for the drainage improvements involving swales across Point Holes 8 and 9, which will help take flow out of the Sunny Shores drainage system. He noted that the improvements would require removal of trees at a couple of locations, and that BGE would need to coordinate with the golf course. He stated that the Board can also consider making improvements to the downstream areas, including cleaning out and mowing the channel east of Point Hole 2, and upsizing the culvert pipe at the golf cart crossing to its south.

Mr. Bailey reported on the Storm Sewer on Kings River Point and stated that WadeCon, LLC performed their investigation last month on the outfall pipe into the lake. He stated that WadeCon's opinion is that the bottom of the corrugated metal outfall pipe has eroded and should be replaced. He stated that BGE will confirm that this would cause the issue being reported, which mostly consists of sinkholes above the outfall pipe near the manhole.

Mr. Bailey reported on the golf course at Spoonwood Drive and Atascocita Shores and stated that Stuckey's mobilized last week to start the work on the east side, Pinehurst Hole 6, and the west side, Pinehurst Hole 7, of Spoonwood as previously approved. He stated that the golf course has removed the dead trees along the berm behind the Pinehurst Hole 6 green.

Mr. Bailey reported on Shores Hole Nos. 4 & 5 and stated that Stuckey's previously provided a proposal in the amount of \$3,176.24 for the removal of a line of trees and vegetation along both sides of Shores Hole No. 5, behind the houses on the east side of Kings Crown Ct. He noted that Director House has expressed concern about the drainage around the pond and existing inlet to its east during heavy rainfall events. He noted that the inlet drains to the east, to Tamarron Drive, through a 30-inch storm sewer pipe, which has limited capacity. Discussion ensued. He stated that he can coordinate with Inframark to televise the storm sewer pipe.

The President said that he is not satisfied with Stuckey's maintenance of the water plant and lift station. Mr. Bailey said he would follow up.

Mr. Bailey discussed the American Water Infrastructure Act ("AWIA"). He stated that BGE will certify to the Environmental Protection Agency completion of the Risk and Resilience Assessment by the June 30th deadline.

Upon motion by Director House, seconded by Director Whitaker, after full discussion and the question being put to the Board, the Board voted unanimously to: (1) approve the Engineer's Report and (2) approve Pay Estimate No. 2 to Android Construction Services, LLC in the amount of \$66,228.20.

7. **Consider FM 1960 Widening issues, including hook up of new meters.** Mr. Bailey provided an update on the FM 1960 widening. He stated that BGE and Inframark met with Wendy's and Taco Bell on the South side of FM 1960 to discuss extending the District's line to a median with new meters with the line then splitting into two, with one line going to Wendy's and one to Taco Bell. He noted that the lines from the meter to the buildings are the responsibility of Taco Bell and Wendy's. He noted that Taco Bell is moving forward with the relocation and that Wendy's is coordinating with the property owner.

Mr. Bailey discussed the other meters that need to be moved for Burger King, McDonalds and Panda Express. He stated that McDonalds has their own contractor and might reroute their line from the new 16-inch line. He also stated that BGE will place new meters outside of the Texas Department of Transportation right-of-way off of Town Center, which Burger King will tie into. He noted that Panda Express will be more complicated, as the building is further away from Town Center Boulevard. He noted that BGE and Inframark are coordinating a site meeting with Panda Express.

Mr. Bailey said there were some unidentified lines tied into the water line on FM 1960 which are probably fire lines. He said fire lines are not required to be metered. Discussion ensued regarding the District's accountability and the need to identify what those lines serve. The Board directed Mr. Bailey and Mr. Jenkins to work on identifying the lines.

8. **Discuss and take action in connection with District communications and website.** There was no report.

9. **Other director and consultant reports.** There was no report.

10. **Discuss meeting location and take appropriate action.** It was the consensus of the Board to hold the next meeting on July 15, 2021 via videoconference.

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 15, 2021.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)