

MINUTES
MAYDE CREEK MUNICIPAL UTILITY DISTRICT

September 27, 2021

The Board of Directors (the "Board") of Mayde Creek Municipal Utility District (the "District") met in regular session, open to the public, on the 27th day of September, 2021, at the Mayde Creek Event Center, 19600 Misty Cove, Katy, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

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|------------------------|----------------|
| Willie Jo Reynolds | President |
| Jorge Diaz | Vice President |
| Betty Mancía Alvarenga | Secretary |
| Cyrus Dumas | Director |
| Jessica Graham | Director |

and all of the above were present, except Director Diaz, thus constituting a quorum.

Also present at the meeting were: Dana Corbin Simmons, resident of the District; Deputy Jimmy Satterfield of the Harris County Sheriff's office; Michael Murr of Murr Incorporated; Kristen Scott of Bob Leared Interests ("BLI"); Claudia Redden of Claudia Redden & Associates; Bart Downum of Environmental Development Partners, LLC ("EDP"); Teague Harris and Kelli Wilkinson of IDS Engineering Group ("IDS"); Tonie Pettit, building manager; and Angie Lutz and Arlene Catalan of Allen Boone Humphries Robinson, LLP ("ABHR").

Due to the COVID-19 virus epidemic emergency and the high threat level warnings issued by various governments and agencies, the District established a telephone option for members of the public to listen to the meeting and to address the Board.

PUBLIC COMMENTS

Director Reynolds offered any members of the public attending the meeting the opportunity to make public comment.

Ms. Simmons addressed the Board regarding the water at her home. She stated that the water is leaving a pink residue in the sinks and toilets in her home, additionally she said that the water has a sulfuric smell at times. Ms. Simmons said that she has contacted EDP on the matter. Director Dumas stated that the water is safe as it is tested daily. Discussion ensued. Mr. Downum said that he would follow up on the matter and have samples of Ms. Simmons water tested.

MINUTES

The Board considered approving the minutes of the August 23, 2021, regular meeting. After review and discussion, Director Dumas moved to approve the minutes of the August 23, 2021, regular meeting. Director Alvarenga seconded the motion, which passed unanimously.

SECURITY REPORT

Deputy Satterfield presented and reviewed the security report, a copy of which is attached. After discussion, Director Graham moved to accept the security report. Director Dumas seconded the motion, which passed unanimously.

UPDATE ON INSTALLATION AND MONITORING OF CAMERAS

Director Dumas stated that installation of the video surveillance will commence once payment is received. Ms. Redden confirmed that the check for iTech Monitoring is included in her report for the Board's approval.

REPORT ON LANDSCAPE MAINTENANCE

Mr. Murr reported on landscape maintenance in the District.

PARK AND TRAIL REPORT, INCLUDING PARK AND BUILDING MAINTENANCE; EXERCISE EQUIPMENT

Mr. Murr presented and reviewed the Park Maintenance Report, a copy of which is attached.

Mr. Murr reported that cost to remove the four trees damaged by Winter Storm Uri is \$450.00.

Mr. Murr reported the District's new trail signs are ready to be ordered, pending final authorization by Director Graham.

Mr. Murr reported he is working with IDS to perform a survey of the District's detention ponds.

Mr. Murr reported that he anticipates installation of the pea pebble in the fall-zone of the District's playground to be done in early October.

Mr. Murr reported that the resident's fence along the connector trail that was previously damaged by a fallen camera pole has been repaired. He said that the pole has also been removed and capped.

After review and discussion, Director Alvarenga moved to: (1) accept the landscape maintenance report. Director Dumas seconded the motion, which passed unanimously.

RESOLUTION RESCINDING DELEGATION OF AUTHORITY DUE TO AN EMERGENCY

Ms. Lutz presented a Resolution Rescinding Delegation of Authority Due to an Emergency. The Board deferred action.

RESOLUTION RESCINDING DESIGNATION OF TREASURER DURING COVID-19 DECLARED DISASTER AND AUTHORIZATION OF DISBURSEMENTS

Ms. Lutz presented Resolution Rescinding Designation of Treasurer During COVID-19 Declared Disaster and Authorization of Disbursements. The Board deferred action.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Scott stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2021 total tax rate of \$0.80.

Director Reynolds opened the public hearing. There being no comments from the public, Director Reynolds closed the public hearing.

Ms. Lutz presented an Order Levying Taxes reflecting the proposed 2021 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality ("TCEQ") and recorded in the Official Public Records of Harris County.

After review and discussion, Director Graham moved to: (1) adopt the Order Levying Taxes reflecting a total 2021 tax rate of \$0.80 per \$100 of assessed valuation, comprised of \$0.36 to pay debt service on water, sewer, and drainage bonds, and \$0.44 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Alvarenga seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION

Ms. Scott reviewed the tax assessor/collector's report, including a list of bills submitted for payment and list of delinquent taxpayers, a copy of which is attached.

After review and discussion, Director Graham moved to approve the tax assessor collector's report and authorize payment of the bills submitted. Director Dumas seconded the motion, which passed unanimously.

DELINQUENT TAX MATTERS

The Board reviewed the delinquent tax report from Perdue, Brandon, Fielder, Collins and Mott, L.L.P. ("Perdue Brandon"), a copy of which is attached. After review and discussion, Director Graham moved to authorize moving certain personal property accounts to the uncollectable roll. Director Dumas seconded the motion, which passed unanimously.

REGIONAL WASTEWATER TREATMENT PLANT ("WWTP") FINANCIAL AND BOOKKEEPING MATTERS, AND PAYMENT OF THE BILLS AND REVIEW OF INVESTMENTS

The Board reviewed the regional WWTP bookkeeper's report, a copy of which is attached, and the bills submitted for payment. After review and discussion, Director Dumas moved to accept the regional WWTP bookkeeper's report, and the bills submitted for payment. Director Graham seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING

Ms. Redden presented and reviewed the bookkeeper's report, a copy of which is attached, and the bills submitted for payment. After review and discussion, Director Dumas moved to approve the bookkeeper's report, and the checks presented for payment. Director Graham seconded the motion, which passed unanimously.

INVESTMENT POLICY

The Board reviewed the District's Investment Policy to determine if any amendments were necessary.

REVIEW, REVISE AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board considered adopting a Resolution Establishing the Authorized Depository Institutions and Adopting a List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions incorporating an updated list of broker/dealers provided by the District's bookkeepers.

After review and discussion, Director Dumas moved to: (1) make no changes to the Investment Policy and to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records; and (2) adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Alvarenga seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Downum presented and reviewed the Operator's Report, a copy of which is attached, including system repairs and maintenance. He reported on pending and completed repairs and improvements to the District's water and sanitary sewer systems.

Mr. Downum recommended and reported the replacement of the wastewater plant's generator annunciator panel at a cost of \$1,800.00.

Mr. Downum reviewed a list of fire hydrant repairs needed in the District, a copy of the list is attached to the operator's report. He reported all the repairs in red have been completed. Mr. Downum requested and recommended the Board's approval for the remaining repairs and replacement of reflectors for the District's fire hydrants in the amount of \$15,424.75.

Mr. Downum presented and reviewed a Notice of Anticipated Fees from WHCRWA, a copy of which is attached. He stated as of January 1, 2022, the groundwater reduction plan fee is increasing to from \$3.45 to \$3.70 per 1,000 gallons of water metered and the Surface Water Fee is increasing from \$3.85 to \$4.10 per 1,000 gallons of water metered.

Ms. Lutz stated that, related to the BBVA USA merger with PNC Bank, EDP has requested to transfer the customer payment lockbox to Central Bank. Mr. Downum then reviewed a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, a Processing Agreement with Central Bank.

Ms. Lutz reviewed a memorandum with the Board regarding legislative changes to Section 182.052, Utilities Code, relating to confidentiality of certain personal and billing information of utility customers, a copy of which is attached. She said such information must be kept confidential, with certain exceptions, unless the customer requests disclosure. Ms. Lutz discussed the requirement for the District to provide notice of the customer's right to request disclosure, along with a request form, by including the notice and form with the utility bills sent to. Mr. Downum confirmed that EDP received the required notice and form language from ABHR for inclusion on the utility bills.

After review and discussion, Director Dumas moved to: (1) approve the operator's report; (2) approve the replacement of the wastewater plant's generator annunciator panel at a cost of \$1,800.00; (3) approve the fire hydrant repairs and replacement of reflectors in the District in the amount of \$15,424.75, subject to being completed in three annual quarters; (4) adopt the Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, subject to final review; (5) approve the Processing Agreement with Central Bank related to the electronic lockbox payment services, subject to final review; and (6) direct that the documents be filed appropriately and retained in the District's official records. Director Graham seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

The Board reviewed the list of delinquent accounts. Mr. Downum informed the Board that the residents on the termination list were delinquent in payment of their utility bills and had been given written notification prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct the utility service bill and show reason why utility services should not be terminated for reason of nonpayment. The Board conducted a hearing regarding water and sewer service termination. Following review and discussion, Director Dumas moved that, because the customers on the list were not present at the meeting, nor had presented any written statement on the matter, all utility services should be terminated, if their utility bills are not paid in accordance with the District's Amended Rate Order. The motion was seconded by Director Graham, which passed unanimously.

ENGINEERING MATTERS

Mr. Harris reviewed the engineering report, a copy of which is attached.

REGIONAL WASTEWATER TREATMENT PLANT ("WWTP") REHABILITATION

Mr. Harris updated the Board regarding construction of the Regional WWTP rehabilitation project. He reviewed images of the Project.

Mr. Harris reported on the renewal application of the District's Wastewater Discharge Permit with the TCEQ.

Mr. Harris gave an update on the Regional WWTP Advisory Committee (the "Committee") meeting held on September 2, 2020.

Mr. Harris stated that IDS is drafting an updated Regional WWTP Capital Improvement Plan. He anticipates the Plan will be ready for the next Board meeting.

Mr. Harris presented and reviewed a cost estimate table (the "Table"), a copy of which is attached to the engineer's report, which includes the breakout of costs per District, for the cleaning and televising of the Regional Trunk Sewer Lines.

Mr. Harris reported that the Committee agreed to the cleaning and video inspection of the jointly owned regional sanitary sewer lines and manholes. He reported that Ms. Wilkinson estimated the cost to be \$55,000.00. Mr. Harris said that the cost of the cleaning and video inspection will be prorated using the Table. He reviewed the plans and specifications and requested the Board authorize IDS to advertise for bids for the cleaning and video inspection of the regional sanitary sewer lines and manholes.

Mr. Harris said that IDS requested an update from Harris County Flood Control District regarding the Mayde Creek channel maintenance and improvement project.

SITE DEVELOPMENT REQUESTS AND UTILITY COMMITMENT LETTERS

There was no report on the matter.

DEEDS AND EASEMENTS

There were no deeds or easements presented to the Board.

ASSET MANAGEMENT PLAN

There was no discussion on this matter.

After review and discussion, Director Dumas moved to: (1) approve the engineer's report; and (2) approve the plans and specifications and to authorize the engineer to advertise for bids for the cleaning and video inspection of the regional sanitary sewer lines and manholes. Director Alvarenga seconded the motion, which passed unanimously.

BUILDING MANAGER'S REPORT AND BUILDING MATTERS

Ms. Pettit discussed the Building Manager's Report, a copy of which is attached.

Ms. Pettit requested the Board's authorization for "Barley's Blessings" to rent the Community Center and grounds for a charity event on December 19, 2021. She stated that the event in 2019 was a great success. Additionally, she requested the Board's approval of a \$1,000.00 budget for supplies, marketing materials, face painters, and a portion of the food. Discussion ensued.

After discussion, Director Dumas moved to: (1) accept the Building Manager's Report; and (2) authorize the charity event on December 19, 2021, including the approval of the \$1,000.00 event budget. Director Graham seconded the motion, which passed unanimously.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

This agenda item was covered in the operator's report.

REPORTS FROM DIRECTORS

Ms. Lutz reported that the Association of Water Board Directors ("AWBD") is requesting that the Board designate a voting representative for the AWBD bylaws election. After discussion, the Board concurred to appoint Director Reynolds as the District's voting representative for the AWBD bylaws election.

GARBAGE SERVICES

Director Reynolds reported there is a District resident who's recycling has not been picked up in three weeks. Ms. Catalan stated she would contact Texas Pride regarding the matter.

AGENDA ITEMS FOR NEXT BOARD MEETING

Ms. Lutz stated the next Committee will be held on October 7, 2021, via teleconference.

Ms. Lutz said that the next Board meeting is scheduled to be held on October 25, 2021, in-person.

There being no further business to come before the Board, Director Dumas moved to adjourn the meeting. Director Graham seconded the motion, which passed unanimously.



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Secretary, Board of Directors

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