

CY-CHAMP PUBLIC UTILITY DISTRICT
Minutes of Meeting of Board of Directors
February 18, 2022

The Board of Directors of Cy-Champ Public Utility District (the “District”) met at 13455 Cutten Road, Suite 1A, Houston, Texas on February 18, 2022, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

Ron Walkoviak, president
Richard M. Spurlock, vice president
Shelley Serres, secretary
Harold W. Greer, assistant secretary
Polly Looper, security coordinator

and being absent:

None

Also present were Mary Dubois and Michael Oakley of Acclaim Energy Advisors, HCCO Sgt. Anthony Sebastian, Michelle Guerrero of Bob Leared Interests, Inc., Mike Plunkett of Eagle Water Management Company, Dennis Sander and Rene Hurtado of Sander Engineering Corporation, Katie Golzarri of Clark Condon Associates, Inc., Mark W. Brooks of Young & Brooks, and District resident Randy Pineda.

The president called the meeting to order and declared it open for such business as might come before it.

APPROVAL OF MINUTES

Upon motion duly made, seconded and unanimously carried, the board approved the minutes of the January 20, 2022 and January 24, 2022 meetings as presented.

MONTHLY REPORTS

Katie Golzarri of Clark Condon Associates, Inc. (CCA), the District’s landscape architects, reported as to the status of matters pending with respect to Cutten Parkway, the Cy-Champ Park, the Cy-Champ Garden Parks, and the Cy-Champ Extension Park. Ms. Golzarri reviewed their report with the board and responded to questions.

Ms. Golzarri presented, recommended, and upon motion duly made, seconded and unanimously carried, the board approved a proposal by IDF Pest Control for mosquito control at Cy-Champ Park on an agreed schedule during the period of April 1 through November 30, 2022, at a cost of \$65 per visit.

Ms. Golzarri presented and reviewed proposals received for fence replacement at Cy-Champ Park. After discussion, upon motion duly made, seconded and unanimously carried, the board approved the proposal for a split rail fence by Texas Fence based on their low bid of \$15,600.

Ms. Golzarri presented information regarding available drinking water fountains for replacement of the existing fountains at Cy-Champ Park. After review and discussion, upon motion duly made, seconded and unanimously carried, the board approved use of Model 440 SMFA in Textured Emerald color, and authorized director Looper to approve a proposal for replacement of the fountains when available.

Ms. Golzarri had previously distributed two proposals by CCA for design development through construction administration for (i) the garden parks east of Cutten at Cherry Hill (Park A at the NW corner and Park B at the NE corner) as well as the trail connection between the existing Napier Lane trail and Park A, and (ii) the 4-acre extension park west of Cutten at Richardson (Park C). After review and discussion, upon motion duly made, seconded and unanimously carried, the board approved both proposals.

Dennis Sander of Sander Engineering Corporation (SEC), the District's engineers, presented a written summary report regarding the status of pending District projects. Mr. Sander reviewed the report with the board and responded to questions.

The board discussed the Cypress Creek Flooding Task Force efforts to raise money from utility districts for construction of regional stormwater detention facilities along Cypress Creek. It was the consensus of the board, however, that alleviation of flooding along Cypress Creek is the responsibility of Harris County.

Security Coordinator Polly Looper and HCCO Sgt. Anthony Sebastian reported as to matters regarding security within the District. Ms. Looper also updated the other board members on discussions regarding a possible law enforcement cost sharing arrangement with Champions MUD, and on the status of the pending community efforts to increase law enforcement coverage along FM 1960.

[Ms. Golzarri, Mr. Sander, Mr. Hurtado, and Sgt. Sebastian excused themselves from the meeting at this point.]

NATIONAL MEMORIAL LADIES

Cheryl Whitfield of the National Memorial Ladies was unable to attend the meeting today but had forwarded a video reflecting recent events at the Fallen Warriors Memorial honoring LCPL David Espinoza and CPL Scott Mackintosh, who lost their lives in service to the country, and also

honoring the 13 service personnel who lost their lives in the final days of the evacuation from Afghanistan. LCPL Espinoza was among the 13.

ELECTRICITY CONTRACT

The board recognized Mary Dubois of Acclaim Energy Advisors, the District's energy consultant, who reported to the board regarding pricing currently available to the District for the purchase of electricity after the District's current contract with GLO terminates at the end of December, 2024. She recommended that the District participate in either the 2029 or 2030 aggregation contract that Acclaim is assembling, which would enable the District to benefit from the larger quantities under contract. After discussion and consideration of the information provided, upon motion duly made, seconded and unanimously carried, the board approved participation in the Acclaim aggregation contract that will run through December 31, 2030, and authorized directors Serres and Greer, each with authority to sign the contract on behalf of the District when available.

TAX EXEMPTIONS AND COLLECTION PENALTIES

Michelle Guerrero of Bob Leared Interests, Inc., the District's tax assessor, advised the board that it would be appropriate for the District to consider any revisions it wishes to make to the District's tax exemptions for purposes of the 2022 tax year, and also whether to continue the authorized implementation of the tax collection penalties. After discussion, it was the consensus of the board to (i) continue the homestead exemption for residents of the District in the amount of 20% of market value or \$5,000, whichever is greater, and the additional homestead exemption for residents of the District who are disabled or 65 years of age or older, in the amount of \$70,000.00, (ii) continue the authorized implementation of tax collection penalties pursuant to Sections 33.07, 33.08 and 33.11 of the Texas Property Tax Code, and (iii) make such exemptions and tax collection penalties applicable for tax year 2022, and continuing thereafter until rescinded or otherwise modified. Proposed resolutions adopting these tax exemptions and tax collection penalties were reviewed. Upon motion duly made, seconded and unanimously carried, the proposed resolutions were passed and adopted, and the District's tax assessor/collector was authorized and instructed to issue the necessary notices for implementation of the penalties at the appropriate times. Copies of the resolutions are attached to these minutes.

MONTHLY REPORTS (continued)

Ms. Guerrero reported as to the status of District tax collections. The District is 95.130% collected for 2021 taxes, and over 99% collected for all prior years.

[Director Greer excused himself from the meeting at this point.]

Tiffany Loggins of L&S District Services, LLC, the District's bookkeeper, presented their monthly report. She also presented to the board a list of bills for the approval of payment, a copy of which is attached hereto.

Ms. Loggins reported that the District's money market account with Central Bank has been closed to avoid monthly service charges, and those funds have been moved to the District's account with TexPool.

The board requested that the bookkeeper code invoicing for park maintenance for each park separately, and code invoicing for park capital project expenditures separately as well.

Mike Plunkett of Eagle Water Management Company (Eagle), the District's operator, presented a written summary report regarding District operations and facilities. Mr. Plunkett reviewed the report with the board and responded to questions.

Mr. Plunkett recommended and after discussion, upon motion duly made, seconded and unanimously carried, the board authorized Eagle to proceed with a District water valve survey.

Upon motion duly made, seconded and unanimously carried, the board approved all consultant reports not already approved by separate motion, and payment of all bills presented.

KLEINWOOD JOINT POWERS REPORT

Board member Richard Spurlock reported as to matters pending before the Kleinwood Joint Powers Board (the "JPB"). Remaining work to be completed by N&S Construction Co., LP (N&S), the contractor for the Reclaimed Water WWTP Facility Improvements project, includes protective coatings on discharge piping, restoration of the meter station site, electrical programming, installation of the wireless communication system, and installation of the fiber optic cable. N&S is waiting on delivery of paint for the protective coating application. G&A Boring Direccional, LLC, the contractor for the Reclaimed Water Line project, is waiting on delivery of the additional pull boxes approved by the board last month, which is expected in late February.

CONSULTANT / VENDOR CONTRACTS

The board considered and after discussion, upon motion duly made, seconded and unanimously carried, approved a budget submitted by Champions Hydro-Lawn for maintenance of the Cutten Road Business Park detention ponds during 2022.

PENDING BUSINESS

Director Polly Looper reported as to the informative sessions she attended at the recent AWBD midwinter conference.

There being no further business to come before the board, the meeting was adjourned.

Secretary

Attachments - Resolution Concerning Exemptions from Taxation
Resolution Authorizing Additional Penalties on Delinquent Taxes
Bookkeeper's Report