

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 15

Minutes of Meeting of Board of Directors

October 27, 2021

The Board of Directors (the "Board") of Northwest Harris County Municipal Utility District No. 15 (the "District") met in regular session, open to the public, at 17707 Old Louetta Road, Spring, Harris County, Texas, 77070, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Lawrence E. LaHaie, Jr., President
Timothy Anderson, Vice President
Joseph Turner, Secretary
George Dupuy, Assistant Secretary
Royce Beam, Assistant Secretary

and all of said persons were present, except Director Beam, thus constituting a quorum.

Also present were Debra Loggins of L & S District Services, L.L.C. ("L&S"); Jason Johnson of R.G. Miller Engineers, Inc. ("RGM"); Sarah Rowe and Chris Townsend of Water District Management Company, Inc. ("WDM"); Debbie Arellano of Bob Leared Interests, Inc. ("BLI"); Christie Leighton of Best Trash, LLC ("Best Trash"); Glenn Woodson of Storm Maintenance & Monitoring ("SM&M"); Paul Evans of Plaza One; and Rick Barker of Schwartz, Page & Harding, L.L.P. ("SPH").

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

PUBLIC COMMENTS

The Board next considered comments from the public. Ms. Leighton addressed the Board regarding a quarterly report in connection with Best Trash's contract with the District. It was noted that no Board action was required at this time.

Mr. Evans next presented to and reviewed with the Board plans for upgrades to the Plaza One project along Spring Cypress Road, a copy of which is attached hereto as **Exhibit A**. He advised the Board that the plan includes additional water capacity to serve a tract previously annexed into the District, as well as the possible annexation of an additional tract. A discussion ensued in connection therewith. Mr. Barker advised that, if the Board is interested in the annexation, then it should authorize RGM to perform an annexation feasibility report, subject, however, to the receipt of an initial deposit in the amount of \$20,000 to cover the engineering and legal fees, and expenses related to the annexation request. After discussion, Director Turner moved to authorize RGM to perform and prepare an annexation feasibility report in connection with the above annexation request upon the District's receipt of a \$20,000 deposit. Director Dupuy seconded said motion, which unanimously carried.

APPROVAL OF MINUTES

The Board considered approval of the minutes of its meeting held on September 22, 2021. Mr. Barker noted a minor revision. After discussion, Director Dupuy moved that the Board approve said minutes, as revised. Director Turner seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Arellano presented to and reviewed with the Board the Tax Assessor-Collector's Report for the month ended September 30, 2021, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for payment, as listed therein. After discussion, Director Turner moved that the Tax Assessor-Collector's Report, and the disbursements listed therein for payment from the Tax Account, be approved. Director Dupuy seconded said motion, which carried unanimously.

DELINQUENT TAX REPORT

The Board deferred action regarding the status of collection of delinquent taxes as it was noted a report was not due at this time from the District's Delinquent Tax Collection Attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

BOOKKEEPER'S REPORT

Ms. Loggins presented to and reviewed with the Board the Bookkeeper's Report dated October 27, 2021, a copy of which is attached hereto as **Exhibit C**, including the disbursements presented for payment from the District's various accounts. After discussion, Director Turner moved that the Bookkeeper's Report dated October 27, 2021, be approved, and that the checks presented for payment from the District's various accounts identified in the Bookkeeper's Report be approved, except check no. 9906 from the General Operating Fund, which was voided. Director Dupuy seconded said motion, which unanimously carried.

COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING

The Board deferred consideration of an electricity utility usage and expense report, after noting that no report had been received this month.

DRAINAGE AND DETENTION FACILITIES REPORT

The Board next reviewed the Detention and Drainage Facilities Maintenance Report from SM&M dated October 27, 2021, a copy of which is attached hereto as **Exhibit D**. It was noted that no action was required at this time.

Ms. Arellano, Ms. Loggins, Ms. Leighton, and Mr. Woodson exited the meeting at this time.

ENGINEER'S REPORT

Mr. Johnson presented to and reviewed with the Board an Engineering Report dated October 27, 2021, regarding the status of pending projects, a copy of which is attached hereto as **Exhibit E**. Following discussion, it was noted that no Board action was required at this time.

REQUEST BY UMANZORS FOR ANNEXATION OF ONE ACRE TRACT OF LAND INTO THE DISTRICT

The Board next considered the status of the proposed annexation of a certain one-acre tract of land at 11710 Spring Cypress Road into the boundaries of the District, as requested by Michelle Umanzor. Mr. Barker advised the Board that there is a high outstanding balance due from the property owner, and queried the Board to determine if it would be agreeable to SPH proceeding with the annexation without payment of said balance. Following discussion, the Board requested that RGM contact the property owner regarding the high outstanding balance. The Board then concurred that SPH be authorized to proceed with the proposed annexation upon receipt of a positive response to RGM from the Umanzors.

REQUEST BY FOUR SEASONS FOR ANNEXATION REGARDING 25 ACRE TRACT

The Board next considered the status of the proposed annexation of a 25 acre tract of land located along the east side of State Highway 249 into the boundaries of the District, at the request of Mr. Efrain and Mr. Kubeczka, on behalf of Four Seasons. Following discussion, the Board concurred that RGM be authorized to prepare an updated feasibility study, subject to the parties requesting annexation depositing a total of \$20,000 with the District to cover annexation expenses.

REQUEST FOR ANNEXATION OF APPROXIMATELY TWO HUNDRED ACRE TRACT INTO THE DISTRICT

The Board next considered the potential annexation of a certain two hundred acre tract, which is immediately east of the Grand Parkway and south of Highway 249 into the boundaries of the District, as requested by Brandon Guillory on behalf of Lovett Industrial. No Board action was required related to this matter.

ISSUANCE OF UTILITY COMMITMENTS

Mr. Johnson advised the Board of a request received by RGM for a utility commitment for a commercial tract. The Board deferred consideration of same subject to receipt of a formal request and additional information at next month's Board meeting.

OPERATIONS AND MAINTENANCE REPORT

Ms. Rowe and Mr. Townsend presented to and reviewed with the Board the Operations Report dated October 27, 2021, a copy of which is attached hereto as **Exhibit F**. Ms. Rowe advised the Board of the current status of various projects and responded to the inquiries of the Board concerning same. In connection therewith, Ms. Rowe advised the Board that there are two (2) accounts to be sent to collections this month in an amount of \$243.40. She further advised the

Board that the customer at 12238 Westlock Drive requested reimbursement for a NSF fee charged by her bank. Following discussion, the Board concurred to deny said request for reimbursement.

Ms. Rowe next advised the Board that the Waste Water Treatment Plant North Clarifier ("WWTP North Clarifier") is in need of repair. In connection therewith, she presented to and reviewed with the Board quotes received from Magna Flow Environment to (i) clean the aeration basin in the amount of \$95,000, (ii) clean the clarifier in the amount of \$50,000, and (iii) clean the CL2 chambers in the amount of \$5,000. Ms. Rowe then requested that the Board authorize WDM to instruct Magna Flow to proceed with the necessary repairs.

Ms. Rowe next requested that the Board authorize WDM to (i) conduct a manhole survey in the District, and (ii) authorize SPH to send letters requesting that all participants in the WWTP do the same.

Ms. Rowe next advised the Board that WDM was notified of graffiti and a damaged fence near the WWTP. Following discussion, the Board concurred to authorize WDM to verify that the graffiti and damaged fence are inside the District's boundaries, and respond accordingly.

Ms. Rowe next advised the Board that there are five (5) stuck water meters. She then requested that the Board authorize WDM to proceed with obtaining three (3) water meter collector upgrade kits at a cost of \$1,020.00 each.

Ms. Rowe next advised the Board that the annual fire hydrant testing and inspection has been completed and requested that the Board authorize WDM to proceed with the necessary repairs.

Following discussion, Director Dupuy moved to (i) authorize WDM to proceed with the repairs to the WWTP North Clarifier, as requested, (ii) conduct a manhole survey in the District, and authorize SPH to send a letter requesting that all WWTP participants Districts do the same, (iii) authorize WDM to obtain three (3) water meter collector upgrade kits, as requested, and (iv) authorize WDM to proceed with repairs as recommended following the annual fire hydrant testing and inspection. Director Turner seconded said motion, which carried unanimously.

SENATE BILL NO. 3 ("S.B. 3") AND AMENDMENT OF THE DISTRICT'S RATE ORDER

Mr. Barker addressed the Board concerning the implementation of S.B. 3, which was enacted during the 87th Texas Legislative Session in response to Winter Storm Uri. He presented to and reviewed with the Board a memorandum prepared by SPH and attached hereto as **Exhibit G**. Mr. Barker advised the Board that S.B. 3 prohibits districts that furnish retail water or sewer utility service, including the District, from imposing late fees or disconnecting service for nonpayment of bills that are due during an extreme weather emergency until after the emergency is over. He further advised that an extreme weather emergency is defined "as a period when the previous day's highest temperature did not exceed 28° F and the temperature is predicted by the National Weather Service to remain at or below that level for the next 24 hours". He stated that, to implement these requirements the District would need to: (a) implement an Emergency Preparedness Plan ("EPP"), which the District has done; and (b) amend its Rate Order to include:

(1) a prohibition of turnoffs and the imposition of late fees for nonpayment of bills during an extreme weather emergency; and (2) direct the District's Operator to recommend a payment plan structure to the Board of Directors if such a plan is requested by a customer for bills due during an extreme weather emergency. Mr. Barker recommended that the Board consider amending its Rate Order to comply with the requirements of S.B. 3. After discussion on the matter, Director Turner moved to: (i) amend the District's Rate Order to implement the requirements of S.B. 3 as recommended by SPH; (ii) to revoke any and all Rate Orders heretofore adopted; and (iii) pass and adopt the Rate Order attached hereto as **Exhibit H** to be effective as of November 1, 2021, as presented. Director Dupuy seconded said motion, which unanimously carried.

HARRIS-GALVESTON SUBSIDENCE DISTRICT WATERWISE PROGRAM

Mr. Barker next advised the Board that the District received a written request from the Harris-Galveston Subsidence District ("HGSD") for the District to consider sponsoring 60 kits for the HGSD's WaterWise Program for the 2021-2022 school year, a copy of which is attached hereto as **Exhibit I**. Mr. Barker presented to and reviewed with the Board said written request. Following discussion, Director Turner moved to sponsor the requested 60 WaterWise kits for said program on behalf of the District. Director Anderson seconded said motion, which carried unanimously.

ATTORNEY'S REPORT

Mr. Barker next advised the Board as to efforts in connection with amending the Detention Pond and Drainage Reserves Maintenance Agreement between the District and the Trails of Cypress Lake Community Association ("HOA"), as discussed at prior meetings. It was noted that no Board action was required at this time.

Mr. Barker next advised the Board of communication received from a customer regarding the location in the District for posting agendas. Ms. Rowe advised the Board that the screen at this location needed to be replaced. She then requested that the Board authorize WDM to proceed with replacement of same. Following discussion, Director Turner moved to authorize WDM to proceed with said request. Director Anderson seconded said motion, which carried unanimously.

Mr. Evans exited the meeting at this time.

CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071

The Board concurred that a Closed Session would not be required in connection with today's meeting.

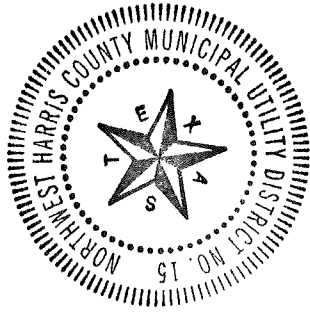
FUTURE AGENDA ITEMS

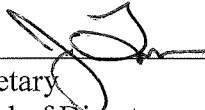
Other than as discussed earlier in the meeting and reflected earlier in the meeting and reflected above, no additional agenda items were requested.

ADJOURN

There being no further business to come before the Board, Director Dupuy moved that the meeting be adjourned. Director Turner seconded said motion, which unanimously carried.

[SEAL]





Secretary
Board of Directors

**NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 15
LIST OF ATTACHMENTS TO MINUTES
BOARD OF DIRECTORS MEETING**

- Exhibit A Plaza One Project Water and Sewer Plan
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Bookkeeper's Report
- Exhibit D Detention and Drainage Facilities Maintenance Report
- Exhibit E Engineer's Report
- Exhibit F Operator's Report
- Exhibit G Memorandum – Implementation of Senate Bill No. 3
- Exhibit H Rate Order
- Exhibit I Interlocal Agreement with Harris-Galveston Subsidence District