

MINUTES
EMERALD FOREST UTILITY DISTRICT

April 26, 2022

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in special session, open to the public, on the 26th day of April, 2022, at the offices of AEI Engineering, a Baxter & Woodman Company, 11450 Compaq Center West Drive, Suite 660, Houston, TX 77070, outside the boundaries of the District, and the roll was called of the members of the Board:

Bobby G. Dillard	President
Robert M. Kimball	Vice President
William B. Schmidt	Secretary/Investment Officer
Donald F. Brooks	Assistant Vice President
DeWayne High	Assistant Secretary

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

Also present at the meeting in person or on the telephone were Deanna Brooks, resident of the District; Jacob Mansfield of National Property Holdings ("NPH"); Luis Aranda of Aranda Industries LLC ("Aranda"); Lonnie Lee of Regional Water Corporation ("RWC"); Sherry Grant and Robel E. Giachero of AEI Engineering, a Baxter & Woodman Company ("AEI"); and Katie Sherborne and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

SECURITY SERVICES REPORT

The Board reviewed the March 2022 security services report from the Harris County Sheriff's Office, a copy of which is attached.

ENGINEER'S REPORT

Ms. Grant reviewed the engineer's report, a copy of which is attached.

WATER AND SANITARY SEWER EXTENSION TO SERVE REPUBLIC BUSINESS CENTER ("RBC") TRACT

Mr. Aranda addressed the Board regarding the deficient segment of sanitary sewer line segment between manhole no. 1 and manhole no. 2. He reviewed videos of the manholes to show the current performance of the sanitary sewer line segment. Mr. Aranda also reviewed handouts regarding the existing

flow lines and slope conditions, copies of which are attached. He stated that, based on as-builts provided by NPH, if the manhole is raised to correct the slope on the deficient segment, it will cause sags in the lines upstream and possibly downstream of the manhole. He stated that both NPH and Aranda are requesting that the Board consider leaving the line as-is and accepting an extended term maintenance bond from Aranda. The Board discussed delaying reimbursement to the developer for that section of sanitary sewer line in order to have time to evaluate the performance of the line and have funds in reserve for any repairs that might be needed in the future. Mr. Mansfield stated that he would need discuss the possibility of delayed reimbursement with additional parties at NPH.

SURFACE WATER, CHLORAMINE CONVERSION, AND CHLORINE DISINFECTION CONVERSION

Ms. Grant updated the Board on the status of the North Harris County Regional Water Authority's ("NHCRWA") construction at Water Plant No. 3, as reflected in her report. She reviewed the information provided by AECOM, the engineer for the NHCRWA, regarding the contractor-supplied chemical tanks that cannot fit into the new buildings at the water plant sites, including the layout of the proposed tank locations, the original request for information, and tank photos, copies of which are attached to the engineer's report. Ms. Grant stated that Quiddity Engineering ("Quiddity"), fka Jones & Carter, Inc., the District's design engineer for the chloramine and bleach disinfection conversion portion of the project, has requested the District's concurrence to locate the tanks outside of the new buildings. Discussion ensued regarding the request. After discussion, the Board concurred to authorize ABHR to send a letter to the NHCRWA informing the NHCRWA that the proposed substantial modifications to the approved plans and specifications are not acceptable to the District and requiring that the tanks be located inside the buildings.

FM 1960 LIFT STATION NO. 5 AND FORCE MAIN EXTENSION

Ms. Grant updated the Board on the status of the FM 1960 lift station no. 5 project, as reflected in her report. She did not have any Pay Estimates or Change Orders from Persons Services Corporation for the Board's approval.

Ms. Grant updated the Board on the status of the force main extension project, as reflected in her report. She did not have any Pay Estimates or Change Orders from Scohil Construction Services, LLC for the Board's approval.

FM 1960 WATER AND SANITARY SEWER EXTENSION

Ms. Grant updated the Board on the status of the FM 1960 water and sanitary sewer extension project, as reflected in her report. She did not have any

Pay Estimates or Change Orders from D.L. Elliott Enterprises, Inc. for the Board's approval.

Ms. Grant stated that there was no update regarding the proposed second water interconnect with Reid Road Municipal Utility District No. 1.

WATER AND SANITARY SEWER EXTENSION TO SERVE REPUBLIC BUSINESS CENTER ("RBC") TRACT (CONT'D)

Ms. Grant updated the Board on the status of the public water line upsizing project to serve the RBC tract, as reflected in her report. She did not have any Pay Estimates or Change Orders from Aranda for the Board's approval.

Ms. Grant updated the Board on the status of the public sanitary sewer extension at the wastewater treatment plant site, as reflected in her report. She did not have any Pay Estimates or Change Orders from Aranda for the Board's approval.

CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

There was no discussion on this agenda item.

WOODEDGE VILLAGE SANITARY SEWER REHABILITATION

Ms. Grant updated the Board on the status of the Woodedge Village sanitary sewer and manhole rehabilitation project, as reflected in her report. She stated that the contractor still has not re-mobilized due to equipment breakdown. Ms. Grant did not have any Pay Estimates or Change Orders from T. Gray Utility & Rehab Co., LLC, for the Board's approval.

FEASIBILITY STUDIES, PLAN REVIEWS, AND UTILITY AVAILABILITY REQUESTS

Ms. Grant stated that AEI received confirmation from the developer on April 11, 2022, that they are amenable to the terms of the final feasibility study report for the proposed development of a warehouse industrial development on a 9.67-acre tract located on the west side of FM 1960 between Bobcat Road and Falcon Road. She stated that AEI informed the developer of the plan review process, including the required deposit. Ms. Grant stated that AEI received plans and will begin the plan review once the required deposit is received.

Ms. Grant updated the Board on the service request from Mr. Chiang of Sueba for a proposed 51.8-acre multi-family development located at the southwest corner of FM 1960 and Gilder Road. She stated that AEI has not yet received the development plans or the required deposit in order to begin the feasibility study.

Ms. Grant reported that AEI has not yet received plans or the required deposit for the proposed Sleepy's Po-Boys located 10922 Cypress Creek Parkway, Suite A.

Ms. Grant stated that AEI received a service request from Jackie Martinez with Maylar LP for a 2.954-acre located at 10814 Woodedge Drive on April 14, 2022. She stated that she informed Ms. Martinez that the tract is partially located outside the boundaries of the District and the current owner has an out-of-district service agreement. Ms. Grant stated that she also informed Ms. Martinez that a new out-of-district service agreement would be required with any new owners.

Ms. Ramirez reported that the owner of the 4.93-acre tract at 10660 Woodedge Drive, JAG Real Investments ("JAG") has stated that he doesn't believe he should have to pay the payment in lieu of taxes ("PILOT") for 2021 since he does not have service from the District yet. She noted that JAG acquired the property in June 2021, and has not yet executed the Out-of-District Service Agreement. After review and discussion, Director Dillard moved to (1) waive the PILOT for 2021; and (2) authorize ABHR to send a letter to JAG stating that JAG must execute the Out-of-District Service Agreement within 30 days of the date of the letter or the District will revoke the capacity currently reserved for the tract. Director Schmidt seconded the motion, which passed unanimously.

CYPRESS GLEN SANITARY SEWER REPAIR PROJECT

Ms. Grant updated the Board on the status of the design of the sanitary sewer and manhole rehabilitation project for Cypress Glen.

UPDATE ON BOND APPLICATION

Ms. Grant updated the Board on the status of the bond application and reviewed an updated summary of costs, a copy of which is attached to the engineer's report.

AUTHORIZE PREPARATION OF WASTE DISCHARGE PERMIT RENEWAL APPLICATION

Ms. Grant stated that the wastewater treatment plant permit will expire on April 25, 2023, and the permit renewal application must be submitted to the Texas Commission on Environmental Quality at least 180 days prior to the expiration date. She requested that the Board authorize AEI to prepare the wastewater treatment plant permit renewal application for an estimated cost of \$25,000. After review and discussion, Director Kimball moved to authorize AEI to prepare the wastewater treatment plant permit renewal application for an estimated cost of \$25,000. Director Dillard seconded the motion, which passed unanimously.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

The Board considered acceptance of a Special Warranty Deed from DRI/JS Nexus Park, LLC for the Industrial at FM 1960 detention pond tract. Following review and discussion, Director Dillard moved to authorize acceptance of the Special Warranty Deed. Director Schmidt seconded the motion, which passed unanimously.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Grant reviewed the updated CIP, a copy of which is attached.

OTHER ENGINEERING MATTERS

There was no discussion on this agenda item.

OUT-OF-DISTRICT SERVICE AGREEMENT

There was no discussion on this agenda item.

UPDATE ON STATUS OF PENDING ANNEXATIONS

There was no discussion on this agenda item.

PETITION FOR ADDITION OF CERTAIN LAND AND PETITION FOR CITY CONSENT TO ANNEX LAND

There was no discussion on this agenda item.

OPERATIONS REPORT, INCLUDING CUSTOMER CORRESPONDENCE

Mr. Lee reviewed the Greens Bayou E. coli report acknowledging samples taken in April, 2021, a copy of which is attached.

SALE OF DISTRICT PROPERTY

There was no discussion on this agenda item.

There being no further matters to come before the Board, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

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