

MINUTES
EMERALD FOREST UTILITY DISTRICT

May 9, 2022

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 9th day of May, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, 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	Asst. Vice President
DeWayne High	Assistant Secretary

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

Also present at the meeting were Tommy LeBlanc of Avison Young; Frank Donnelly of Kensinger Donnelly; Angie Hartwell and Brandon West of Touchstone District Services ("Touchstone"); Stephanie Viator of District Data Services, Inc.; Scott Barr of Regional Water Corporation ("RWC"); Patty Rodriguez of Bob Leared Interests ("BLI"); Sherry Grant of AEI Engineering, a Baxter & Woodman Company ("AEI"); and Katie Sherborne and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Donnelly inquired about the status of the FM 1960 water and sanitary sewer extension project and requested an estimated timeline for the commencement of construction. Ms. Grant stated that AEI met with the City of Houston ("City") and will be submitting a variance request for the plan review comment related to a looped public water line. She also stated that AEI is working with contractor on potentially starting construction prior to receiving City approval.

APPROVE MINUTES

The Board considered approving the minutes of the April 11, 2022, regular meeting and the April 26, 2022, special meeting. After discussion, Director Schmidt moved to approve the minutes of the April 11, 2022, regular meeting and the April 26, 2022, special meeting, as submitted. Director Kimball seconded the motion, which passed unanimously.

SALE OF DISTRICT PROPERTY

Mr. Young updated the Board on the status of the District's sale of the 2.424-acre tract of surplus land and reported that the closing is scheduled for May 10, 2022. After review and discussion, Director High moved to approve the sale of the 2.424-acre tract to Kelli Investments LLC and authorize execution of closing documents. Director Kimball seconded the motion, which passed unanimously.

2022 DIRECTORS ELECTION

CERTIFICATE OF ELECTION

The Board considered approving a Certificate of Election, reflecting the election of William Schmidt, Donald Brooks, and DeWayne High to the Board of the District each for a four-year term. After review and discussion, Director Dillard moved to approve the Certificate of Election and the distribution of same to Directors Schmidt, Brooks, and High and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director Kimball seconded the motion, which passed unanimously.

SWORN STATEMENTS AND OATHS OF OFFICE

Ms. Sherborne reviewed the Sworn Statements and Oaths of Office for Directors Schmidt, Brooks, and High. After review and discussion, Director Dillard moved that the Board approve the Sworn Statements and Oaths of Office and direct that the documents be filed appropriately and retained in the District's official records, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Kimball seconded the motion, which passed unanimously.

REORGANIZE THE BOARD AND ELECT OFFICERS

The Board considered reorganizing the Board of Directors. Following discussion, the Board concurred the directors would retain their current positions on the Board.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the newly elected directors. Following review and discussion, Director Kimball moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Schmidt seconded the motion, which passed unanimously.

WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed the website and communication report, a copy of which is attached.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez presented the monthly tax report, a copy of which is attached. She stated that 97.9% of the District's 2021 taxes were collected as of the end of April. Ms. Rodriguez then reviewed the District's delinquent tax roll.

Ms. Rodriguez reviewed a list of delinquent business personal property taxes that can be transferred to the district's uncollectible roll, a copy of which is attached.

Ms. Rodriguez stated that BLI would like to bring a proposed contract amendment for the Board's consideration at the next meeting. After discussion, the Board concurred to add an agenda item to the next regular meeting to consider a contract amendment.

After review of the tax bills and corresponding checks, Director Dillard moved to (1) approve the tax report and payment of the tax bills; and (2) authorize the tax assessor/collector to move the uncollectible delinquent business personal property accounts to the uncollectible roll, as recommended. Director Schmidt seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Viator reviewed the bookkeeper's report, including the District's investments and the budget comparison, and submitted the bills for payment. A copy of the bookkeeper's report is attached.

After review and discussion, Director Kimball moved to approve the bookkeeper's report, the District's investments, and payment of the bills. Director High seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MATTERS

The Board generally discussed the Travel Reimbursement Guidelines and Director Expenses for the AWBD summer conference.

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

The Board tabled this agenda item.

OPERATION OF DISTRICT FACILITIES

Mr. Barr presented the operations report from RWC, a copy of which is attached. He reported on routine maintenance and repair items in the District. He stated that water accountability for the prior billing cycle was 90.9%.

Mr. Barr reviewed a request from account no. 1-30-50192-06 requesting an adjustment to a high water and sewer bill in March 2022 due to a leaking backflow preventor. He noted that the water from the leak did not enter the District's sanitary sewer system.

Mr. Barr reviewed a request from account no. 1-30-03480-04 requesting an adjustment to a high water and sewer bills in January-April, 2022 due to a leaking toilet.

Mr. Barr reviewed a request from account no. 1-30-02280-03 requesting a payment arrangement for high water and sewer bills in March and April, 2022 due to a leaking toilet.

After review and discussion, Director Schmidt moved to (1) approve the operator's report; (2) authorize RWC to credit the excess sewer charge for account no. 1-30-50192-06; (3) deny the request for an adjustment for account no. 1-30-03480-04, but authorize RWC to offer up to a three-month payment plan, plus the current month's bill as it becomes due, if requested by the customer; and (4) authorize a three-month payment plan for account no. 11-30-02280-03, plus the current month's bill as it becomes due. Director Dillard seconded the motion, which passed unanimously.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of water and sewer service to delinquent accounts. Mr. Barr stated that the residents on the list were delinquent in payment of their water and sewer bills and had been given written notification prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bills and to show reason for nonpayment, all in accordance with the District's Rate Order. After discussion, Director Schmidt moved that, because the customers on the list were neither present at the meeting nor had presented any written statement on the matter, water and sewer service for accounts totaling \$10 or more would be terminated the following week in accordance with the District's Rate Order, except (i) accounts in compliance with payment agreements, and (ii) commercial accounts, which are to be contacted first by RWC and then terminated the following Monday if payment has not been received. Director Dillard seconded the motion, which passed unanimously.

APPROVE CONSUMER CONFIDENCE REPORT

The Board considering approving the 2021 Consumer Confidence Report

("CCR") and authorizing RWC to distribute the CCR to District customers and file with the TCEQ. After discussion, Director Dillard moved to approve the CCR and authorize distribution of the CCR to District customers and filing of the certificate of delivery with the TCEQ. Director Brooks seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Grant reviewed the report regarding the status of engineering projects in the District, a copy of which is attached.

SURFACE WATER, CHLORAMINE CONVERSION, AND BLEACH 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 correspondence sent by ABHR to the NHCRWA on April 29, 2022, a copy of which is attached to the engineer's report. Ms. Grant then reviewed the response from the NHCRWA received on May 5, 2022, a copy of which is attached to the engineer's report. She stated that the NHCRWA proposes to raise the bleach building by 9" using a concrete kicker wall and to move the LAS control panel outside the building into a control cabinet that is rated for outdoor use. Mr. Barr stated that RWC has objections to both proposed solutions. Discussion ensued. 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.

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 reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$35,460.00 and Change Order No. 1 for no change to the contract price, submitted by Persons Services Corporation ("Persons"). Ms Grant stated that Change Order No. 1 is to add 90 days to the contract time. The Board determined that Change Order No. 1 is beneficial to the District.

After review and discussion, Director Kimball moved to approve Pay Estimate No. 3 in the amount of \$35,460.00 to Persons and Change Order No. 1 for no change to the contract price, submitted by Persons, based on the engineer's recommendation and the Board's determination that the Change Order is beneficial to the District. Director Schmidt seconded the motion, which passed unanimously.

Ms. Grant updated the Board on the status of the force main extension project, as reflected in her report. She reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$287,578.53, submitted by Scohil Construction Services, LLC ("Scohil"). After review and discussion, Director Kimball moved to approve Pay Estimate No. 1 in the amount of \$287,578.53 to Scohil, as recommended. Director Schmidt seconded the motion, which passed unanimously.

FM 1960 WATER AND SANITARY SEWER EXTENSION AND LETTER AGREEMENT

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 AEI received an update from the engineer for Reid Road Municipal Utility District No. 1 ("Reid Road") indicating that the Board of Reid Road is amenable to a proposed second water interconnect with the District.

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

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 Industries LLC ("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. The Board discussed the deficient segment of sanitary sewer line segment between manhole no. 1 and manhole no. 2, including the information presented by Aranda at the April 26, 2022, special meeting. Ms. Sherborne stated that the developer does not believe their reimbursement should be delayed, as the developer stated that the private sanitary sewer lines were constructed according to the approved plans and the as-builts were provided to the District. Discussion ensued.

CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

There was no discussion on this matter.

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 reviewed and recommended approval of Pay Estimate No. 9 in the amount of \$20,516.40, submitted by T. Gray Utility & Rehab Co., LLC ("T. Gray"). After review and discussion, Director Kimball moved to approve Pay Estimate No. 9 in the amount of \$20,516.40 to T. Gray, as recommended. Director Schmidt seconded the motion, which passed unanimously.

FEASIBILITY STUDIES, PLAN REVIEWS, AND UTILITY AVAILABILITY REQUESTS

Ms. Grant stated that AEI received the plans 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 the developer reported that the required deposit was mailed on May 4, 2022, so AEI will begin the plan review once it is received.

Ms. Grant stated that AEI provided an exhibit of the limited purpose annexation boundary pursuant to the District's Strategic Partnership Agreement with City to Sueba Investments for their consideration when developing the land plan for the proposed 51.8-acre multi-family development located at the southwest corner of FM 1960 and Gilder Road, as requested by the Board. She stated that AEI has not yet received the development plans or the required deposit in order to begin the feasibility study.

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, as reflected in her report.

UPDATE ON BOND APPLICATION

Ms. Grant stated that the bond application will be submitted to the TCEQ this week.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Ms. Grant updated the Board on the status of the preparation of the wastewater treatment plant permit renewal application.

ANNEXATION MATTERS

The Board tabled action 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.

ACCEPT WAIVER OF SPECIAL APPRAISAL

There was no discussion on this agenda item.

APPROVE THIRD ADDENDUM TO WATER SUPPLY AND WASTE DISPOSAL
CONTRACT WITH CY-FAIR ISD

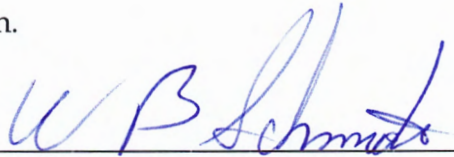
There was no discussion on this agenda item.

ATTORNEY'S REPORT

There was no discussion on this agenda item.

(SEAL)




Secretary, Board of Directors

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