

CY-CHAMP PUBLIC UTILITY DISTRICT
Minutes of Meeting of Board of Directors
September 15, 2022

The Board of Directors of Cy-Champ Public Utility District (the “District”) met at 13455 Cutten Road, Suite 1A, Houston, Texas on September 15, 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
Polly Looper, security coordinator

and being absent:

Harold W. Greer, assistant secretary

Also present were Michelle Guerrero of Bob Leared Interests, Debra Loggins of L&S District Services, LLC, Mike Plunkett of Eagle Water Management Company, Rene Hurtado of Sander Engineering Corporation, Katie Golzarri of Clark Condon Associates, Inc., and Mark W. Brooks of Young & Brooks.

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 August 18, 2022 and August 25, 2022 meetings as presented.

TAX RATE

Corey Howell of The GMS Group, L.L.C., the District’s financial advisors, reported by telephone. He had previously distributed a memorandum and spreadsheet regarding the District’s financial requirements to be met with the tax levy for 2022, which he reviewed with the board. After discussion, the board determined that the District is not a “Developed District” as defined by Texas Water Code Section 49.23602. Based upon the District’s taxable value as certified by the Harris County Appraisal District, GMS is recommending a debt service tax rate of \$0.156, a water, sewer, and drainage system maintenance tax rate of \$0.097, and a recreational facilities maintenance tax rate of \$0.097, for a total 2022 tax rate of \$0.35. After discussion, upon motion duly made, seconded and unanimously carried, the board authorized the publication of the District’s proposed 2022 tax rate as recommended by GMS. The board determined to formally adopt the tax rate at the next regular board meeting, and the telephone call with Mr. Howell was ended.

CONSULTANT/VENDOR CONTRACTS

Mr. Spurlock reported as to a meeting that he and Mr. Walkoviak recently had with Ken Pridgeon to propose engaging him to complete the unfinished Fallen Warriors portraits at a fixed price of \$500 each, inclusive of materials. Mr. Pridgeon was pleased with the proposal and has indicated he would like to accept the commission under the terms proposed. After discussion, upon motion duly made, second and unanimously carried, the board authorized attorney Mark W. Brooks to prepare a draft Artwork Commission Agreement with Mr. Pridgeon for consideration by the board. Mr. Spurlock will work to update the list of names on the Memorial for an exhibit to the agreement.

MONTHLY REPORTS

Security Coordinator Polly Looper and HCCO Sgt. Anthony Sebastian reported as to matters regarding security within the District.

Michelle Guerrero of Bob Leared Interests, Inc., the District's tax assessor, reported as to the status of District tax collections. The District is 97.840% collected for 2021 taxes, and over 99% collected for all prior years.

Debra 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.

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.

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

Mr. Hurtado presented proposals received for an emergency generator set to be installed at the Haynes Road lift station. He recommended and after discussion, upon motion duly made, seconded and unanimously carried, the board accepted the proposal by Cummins Sales and Service based on their low bid of \$41,981, subject to confirmation of a reasonable delivery date and warranty start date. If Cummins is not able to provide delivery within a reasonable time, the board approved the proposals by either of the other vendors that could provide delivery within an acceptable time frame.

Katie Golzarri of Clark Condon Associates, Inc. (CCA), the District's landscape architects, reported as to the status of matters pending with respect to the District's park system. Ms. Golzarri reviewed their report with the board and responded to questions.

Ms. Golzarri presented, recommended, and upon motion duly made, second and unanimously carried, the board approved proposals by Jinco Inc., the District's landscape maintenance contractor, for the following work:

- Irrigation system repairs - \$1568.91
- Repair of fence/shed damages caused by a fallen tree - \$160.99
- Irrigation system controller upgrades along Cutten Parkway - \$88,224.01, and at Cy-Champ Park - \$15,614.25
- Fall color change-out along Cutten Parkway and at Cy-Champ Park - \$12,800 plus costs for the later addition of Cyclamen at the Fallen Warriors Memorial.

Ms. Golzarri reported as to the status of their design work for parks A, B & C. After discussion, upon motion duly made, seconded and unanimously carried, the board authorized CCA to advertise for bids to construct the garden parks east of Cutten at Cherry Hill (Park A at the NW corner and Park B at the NE corner), as soon as design and the bid package are complete.

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.

REIMBURSEMENT RESOLUTION

After discussion, upon motion duly made, seconded and unanimously carried, the board adopted the attached Resolution Expressing Official Intent to Reimburse Costs of Trestle Pipe Coating Rehabilitation and Kleinwood Joint Powers Electrical Modifications Phase 3 Projects, in anticipation of incurring project costs before the next system bond issue funds.

BOND APPLICATION

After discussion, upon motion duly made, seconded and unanimously carried, the board adopted the attached Order Authorizing Filing of Application for Approval of Texas Commission on Environmental Quality, for submission to the TCEQ along with bond application report no. 14, to provide funding for acquisition and development of park land and improvements.

KLEINWOOD JOINT POWERS REPORT

Board member Richard Spurlock reported as to matters pending before the Kleinwood Joint Powers Board (the "JPB"). The fiber optic line for the Reclaimed Water Supply System was delivered ahead of schedule and has been installed from the meter station to the KJPB plant. Near the end of August, the backwash and drain valves for the filter system failed, and the system was

taken offline. The supplier was on-site to disassemble for shipment to the manufacturer to determine the reason for failure. Replacements are expected to be installed this week.

The engineer for the plant now has final pricing for items to be included in Change Order No. 3 to the contract for the Reclaimed Water WWTP Facility Improvements project, and is working to calculate a total project cost to be recovered via monthly payments by Cypress Forest PUD and Champions MUD.

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

Secretary

Attachments - Bookkeeper's Report

Resolution Expressing Official Intent to Reimburse Costs of Trestle Pipe Coating
Rehabilitation and Kleinwood Joint Powers Electrical Modifications Phase 3 Projects
Order Authorizing Filing of Application for Approval of TCEQ