

## REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

August 17, 2022

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on August 17, 2022, at 11245 Harvest Bend Boulevard, Houston, Harris County, Texas, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Patrick Cieslewitz, President  
Carla Christensen, Vice President  
Robert Sumpter, Secretary  
Karen Brengel, Treasurer  
Ed Swannie, Director

and the following absent:

None.

Also present were Mr. John Montgomery and Mr. Jared Martin, District operators; Ms. Lynn Kurtz of Myrtle Cruz Inc; Ms. Robin Goin, tax assessor-collector for the District; Mr. Mason Mueller of Cobb, Fendley & Associates, Inc.; Mr. Erik Scott of Champions Hydro-Lawn; Sergeant A. Martinez of the Harris County Precinct 4 Constable’s office; Mr. Joshua Post of SentiForce; a quorum of the Board of Directors of Reid Road MUD No. 2 and appropriate consultants of that district; and Ms. Melissa J. Parks, attorney for the District.

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

1. Mr. Montgomery presented the joint sewage treatment plant operations report reflecting 3,790 connections, no permit violations, and plant operations at 39% of permitted capacity. Mr. Montgomery discussed sludge hauling from the plant. K-3BMI currently provides this service on a monthly basis (no contract) and has recently added a fuel surcharge. If this surcharge continues, the sludge hauling expenditure will end up over budget at year end. To address this Mr. Montgomery obtained pricing from another sludge hauler and it came in at a lower rate. However, that company was willing to agree only to a one-year term, and the operators don’t have much working experience with this company. Mr. Montgomery recommended approaching K-3BMI to seek a contract. A company representative had recently indicated a willingness to drop the surcharge in exchange for a slight rate increase. While a rate increase would still cause a greater-than-budgeted expenditure, the cost overrun would be lower. Mr. Montgomery stepped out of the meeting and spoke with the K-3BMI representative. Upon his return, Mr. Montgomery announced K-3BMI would agree to a three-year contract at a rate of \$0.055 per gallon without a surcharge. An item will be placed on the next month’s agenda for formal approval of such contract. After further discussion of operating matters, the Board unanimously approved the report.

2. Lynn Kurtz presented the joint plant bookkeeper's report, copy attached, and reviewed income and disbursements since the last Board meeting. She reviewed the budget comparison report for four months of activity during the fiscal year ending March 31, 2023. The Board questioned the payment of certain lab invoices from the District's general fund account and requested that, if applicable, they be paid from the joint sewage treatment plant account. Ms. Kurtz would contact the operators for details. After further review and discussion, the Board voted unanimously to approve the bookkeeper's report and authorized payment of the checks listed thereon.

3. Mason Mueller addressed the Board and presented the engineer's report, copy attached. He updated the Boards on discussions with Harris County Flood Control District on its comments on the plans for the proposed repair of the storm and sewer outfalls at the joint plant. Mr. Mueller then addressed odor mitigation projects. He, Sergio Handal and John Montgomery visited the plant in Kingwood utilizing a mister and observed its operation. As a result, Mr. Mueller had updated the cost summary to include a mist system. The Board reviewed and discussed the updated cost summary and an authorization of engineering services and thereafter, upon motion by Director Christensen, seconded by Director Swannie, voted unanimously to accept the proposal and authorized proceeding with design work.

4. Sergeant Martinez reported on law enforcement activities occurring during the month. Thereafter, the Boards opened the floor for public comment, but no public comment was offered.

5. The Boards considered a contract with SentiForce for installation of cameras at the joint sewage treatment plant and provision of monitored video surveillance services. Ms. Parks had provided comments to SentiForce on the proposed terms and conditions and has no objection to Board approval of the agreement as revised. Ms. Parks will provide a copy of the proposed agreement to Jonathan Roach for his review on behalf of Reid Road MUD No. 2. After further discussion, upon motion by Director Christensen, seconded by Director Swannie, the Board voted unanimously to approve the agreement and authorize its execution, subject to review by Mr. Roach. Thereafter, the Board and consultants of Reid Road MUD No. 2 exited the meeting.

6. The Board reviewed the minutes of its meetings held June 29, July 20, and August 6, but tabled their approval until the next regular meeting. The Board then open the floor for public comment. None was offered.

7. Ms. Goin presented the tax assessor/collector's report, copy attached, which showed that 2021 taxes were 99.029% collected through July 31. She presented disbursements for payment of current bills, and after further discussion, upon motion by Director Christensen, seconded by Director Brengel, the Board unanimously approved the report and the disbursements listed thereon.

8. The Board considered an agreement with SentiForce for installation of cameras at District facilities and provision of monitored video surveillance services. The terms and conditions for this service were the same as those previously approved for the joint wastewater treatment plant, so upon motion by Director Brengel, seconded by Director Swannie, the Board voted unanimously to accept the agreement and authorized its execution by the proper

District officers. Further, the Board unanimously adopted the attached Resolution Adopting Operating Principles for Surveillance Cameras.

9. Ms. Kurtz reviewed the bookkeeper's report, copy attached, including activity and ending balances in all District funds. She also reviewed checks presented for payment of current bills and reviewed a budget comparison report for the first four months of the fiscal year ending March 31, 2023. Expenditures for the year to date are higher than budgeted by more than \$450,000, and the Board asked the bookkeeper to analyze this and address it next month. The Board approved an additional check No. 1335 for fees of office to Robert Sumpter. Referring to a comment made earlier in the meeting, the Board specified that one of the lab invoices being paid appeared properly payable from the joint plant account. Ms. Kurtz will address this and get back with the Board. Mr. Montgomery requested Board approval of a check payable to Infrastructure Technology Services in the amount of \$32,427.50 for lining manholes in Sections 1 and 2. He noted this was a budget line item, and thereafter, the Board gave unanimous approval. This check will be shown on the next monthly bookkeeper's report. Finally, the Board discussed sources of funds from which payments for upcoming projects will be made. To the extent possible, the Board desires to use surplus construction funds. After further discussion, upon motion by Director Christensen, seconded by Director Brengel, the Board voted unanimously to approve the bookkeeper's report and authorized release of checks for payment of current bills.

10. Mr. Montgomery presented the operator's report, copy attached. Water accountability for the month was at 99%. The operator discussed delinquencies and will check on amounts that are 120 days past due. Upon the operator's recommendation, two accounts in the amount of \$185.99 were deemed uncollectable and referred to a collection agency. Mr. Montgomery then submitted a list of 78 delinquent accounts to the Board subject to termination of utility service. These customers had been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or request correction of the charges, services, or disconnection. The customers had neither attended the Board meeting nor contacted the operator's office or the District, and after discussion, upon motion duly made, seconded, and unanimously carried, the Board authorized the operator to proceed with termination of utility service to said accounts pursuant to provisions of the District's Rate Order.

Mr. Montgomery reported that the North Harris County Regional Water Authority is still implementing its Stage 1 drought measures. Mr. Montgomery recommended that the District continue to do the same, and the Board agreed.

The air conditioning unit in the District's administration building is not working properly and must be replaced. Mr. Montgomery has obtained two proposals and plans to get a third. He may recommend that commencement of this work be postponed until fall. Mr. Montgomery then updated the Board on work to repair the major break in the water line at the intersection of Fallbrook Drive and Broken Sky Drive. After further discussion, upon unanimous vote, the Board approved the operator's report as presented.

11. Mr. Mueller presented the engineer's report, copy attached. He presented an updated capital improvement plan and reviewed it with the Board, noting that design of Water

Plant No. 1 improvements is under way. Regarding a proposed well No. 4, Mr. Mueller presented two cost estimates. Of the two alternatives, the Board would prefer drilling a 500 GPM well on the plant site. Discussion ensued regarding whether or not to drill water well No. 4, given the District's existing wells, future surface water supply, and its water interconnections with other districts. After further discussion, the Board agreed in principle to drill well No. 4. Mr. Mueller will bring an engineering proposal for construction and engineering costs for this project. Next discussed were other improvements at Water Plant No. 2, including a second ground storage tank and a methane scrubber. It may be possible to avoid installing a methane scrubber if adjustments are made to the forced air ventilation of the ground storage tank. Mr. Mueller will make updates to the capital improvement plan per these discussions.

Mr. Mueller reviewed a proposal for engineering services for repair of the water main line and pavement at Broken Sky Drive and Fallbrook Drive. After discussion, the Board voted unanimously to approve the proposal. Mr. Mueller then reviewed the remainder of his report and thereafter, upon motion by Director Christensen, seconded by Director Brengel, the Board voted unanimously to approve it.

12. Mr. Scott reviewed the monthly parks report, copy attached. Repair of a hole in the sidewalk near the small pond was complete. Mr. Scott then discussed the condition of the surface around the playground equipment. Pros and cons were discussed about the various types of mulch or special turf used for a play surface. The Board requested that Mr. Scott look into various possibilities before it becomes necessary to replace the current play surface.

13. The Board considered a new contract with Harris County for patrol by Precinct 4 Constables. The new contract would begin October 1, 2022, and the monthly payment will be less than under the current contract because the county has eliminated charging separate rates for different ranks of officers. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Interlocal Agreement for Law Enforcement Services and authorized its execution by the proper District officers.

14. The Board considered pending business and discussed logistics related to the administration building. The Board also discussed getting new director shirts. President Cieslewitz will handle purchase of the shirts, so each Director wanting a shirt should send their size to him. The Board discussed holding a Christmas party after the Board meeting in December. The Board agreed to do so and discussed arrangements for same. Finally, Robert Sumpter agreed to update the sign at the building entrance so it reflects current tax rate information.

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



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Secretary

## REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

### NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting at **11245 Harvest Bend Blvd., Houston, Texas**. The meeting will be held at **6:30 p.m. on Wednesday, August 17, 2022**.

The subject of the meeting is to consider and act on the following:

1. Consideration of wastewater treatment matters, including:
  - a. Operations and maintenance report; authorize repairs and maintenance
  - b. Bookkeeper's report and payment of bills
  - c. Engineer's report; preparation of plans, advertising for bids, award of contracts
  - d. Constable's patrol report
  - e. Presentation of public comments
2. Approve minutes of meeting held June 29, July 20 and August 6, 2022
3. Public Comment
4. Tax assessor-collector's report; status of tax collections; review invoices and authorize payment; authorize litigation as necessary for collection of delinquent taxes; consider any taxpayer appeals; approve installment payment agreements, as necessary
5. Bookkeeper's report; review invoices and authorize payment of bills; review investment report and approve investment of District funds
6. Operator's report; review active connections and water accountability; status of operation, maintenance, and repair of District facilities; consider customer appeals; approve termination of service to delinquent accounts; authorize actions as necessary concerning drought measures
7. Status of emergency repairs to water line and road; authorize actions as appropriate
8. Engineer's report; authorize preparation of plans as appropriate; authorize advertising for bids; award contracts; approve pay requests and change orders; capital improvements plans; update on GIS mapping; proposal for engineering work related to emergency water line/road repairs
9. Request(s) for service, utility commitment, or annexation of land
10. Report regarding District parks; authorize actions as necessary
11. Annual Review of Rate Order
12. Annual Review of Code of Ethics
13. Contract for installation of cameras at District facilities and provision of monitored video surveillance services; Policy for use of video surveillance recordings
14. Patrol contract with Harris County Precinct 4 Constable commencing October 1, 2022
15. Pending business

16. Executive Session as necessary Authorized under Texas Government Code Ann., §551.071, et seq.



*Melissa J. Parks*

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Melissa J. Parks  
Attorney for the District