

MINUTES OF MEETING OF  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,  
OF HARRIS COUNTY, TEXAS  
October 27, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 70, of Harris County, Texas (the "District") met in regular session on October 27, 2022, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Stephanie Peters	President
Ron Sanches	Vice President
Rudolph Lange	Secretary
Rachel Knight	Assistant Secretary
Ronald Garcia	Assistant Secretary

All of said persons were present, except Director Knight, who entered later as noted herein, thus constituting a quorum.

Also present at the meeting were Amber Hurd of Cobb Fendley & Associates, Inc. ("CobbFendley"); Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MA&C"); Lonnie Wright of Municipal Operations & Consulting, Inc. ("MOC"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Dennis Eby of Eby Engineers, Inc. ("Eby Engineers"), engineer for Harris County Municipal Utility District No. 144 ("No. 144"); Chuck Brandman of Harris County Municipal Utility District No. 264 ("No. 264"); and Spencer Creed of Schwartz, Page & Harding, L.L.P. ("SPH").

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

**JOINT SEWAGE TREATMENT PLANT COMMITTEE MEETING**

**MINUTES**

The Joint Sewage Treatment Plant committee members considered the minutes of its September 22, 2022 Board meeting. No comments were offered regarding same.

**ENGINEERING REPORT**

Ms. Hurd presented to and reviewed with the committee members a written Engineering Report for the Joint Sewage Treatment Plant Committee Meeting, a copy of which report is attached hereto as **Exhibit A**, and discussed same with the Board.

Ms. Hurd updated the Board regarding the proposed layout for the Wastewater Treatment Plant ("WWTP") Driveway, and requested authorization to proceed with obtaining bids for said WWTP Driveway. After further discussion on the matter, Director Peters moved to authorize

CobbFendley to proceed with obtaining bids for the WWTP Driveway, as requested, subject to (i) addressing any timely comments received from the committee members of Harris County Municipal Utility District No. 144 ("No. 144") and Harris County Municipal Utility District No. 164 ("No. 164"), (ii) completion of materials testing for the project, and (iii) the inclusion of asphalt as an alternative bid item for pricing of the WWTP Driveway. Director Sanches seconded said motion, which unanimously carried. Ms. Hurd advised that CobbFendley intends to place the first advertisement for bids in the newspaper on November 23<sup>rd</sup>.

Director Knight entered during the above discussion.

### **OPERATIONS REPORT**

Mr. Wright presented to and reviewed with the committee members the Wastewater Treatment Plant Operations Report for the month of September 2022, a copy of which report is attached hereto as **Exhibit B**, and discussed same with the Board. He noted that the aeration basin clean out project has been completed and pictures of the work are attached as part of **Exhibit B**.

Mr. Eby noted that the No. 144 Board has requested a tour of the Wastewater Treatment Plant on November 18, 2022 at 9:00am. It was noted that MOC will attempt to coordinate and communicate same to all interested parties.

### **BOOKKEEPER'S REPORT**

Mr. Hawthorne presented to and reviewed with the Board the Joint Sewage Treatment Plant Bookkeeper's Report dated October 27, 2022, a copy of which report is attached hereto as **Exhibit C**, including the disbursements presented for payment. After discussion, it was moved by Director Peters that the Bookkeeper's Report be approved and that the disbursements identified in the report be authorized for payment. Director Lange seconded said motion, which unanimously carried.

### **JOINT SEWAGE TREATMENT PLANT ATTORNEY REPORT**

The Board next considered the attorney's report. The Board discussed rescheduling the Board of Directors' and joint committee's November and December meetings, due to the upcoming Thanksgiving and Christmas holidays. After discussion, the Board determined to hold the November meeting on November 17, 2022, at 6:30 p.m. and keep the December 22, 2022 meeting at its regular date and time.

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## **DISTRICT MEETING**

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

## **COMMENTS FROM THE PUBLIC**

The Board deferred consideration of comments from the public, as no comments were offered.

## **TAX ASSESSOR/COLLECTOR'S REPORT**

Ms. McLaughlin presented and reviewed the Tax Assessor/Collector's Report for September 2022, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit D**. After discussion, Director Sanches moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Lange seconded said motion, which unanimously carried.

Messrs. Eby and Brandman exited the meeting at this time.

## **CONDUCT PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2022 TAX RATE**

As the next order of business, the Board conducted a public hearing regarding the adoption of the District's proposed tax rate for 2022. There being no comments from the public, upon a motion made by Director Lange, seconded by Director Peters and unanimously carried, such hearing was closed.

## **LEVY OF THE DISTRICT'S 2022 TAXES**

The Board discussed setting the District's 2022 tax rate. Ms. McLaughlin confirmed that the notice of the District's intention to set a tax rate, a copy of which is attached hereto as **Exhibit E**, was published in the *The Houston Chronicle* in accordance with all legal requirements and as directed by the Board at its September 22, 2022, meeting. After discussion on the matter, Director Lange moved that: (i) the Board adopt the total tax rate of \$0.57 per \$100 of assessed valuation; (ii) the District levy a 2022 maintenance tax rate of \$0.25 per \$100 of assessed valuation, and a debt service tax rate of \$0.32 per \$100 of assessed valuation for a total 2022 tax rate of \$0.57 per \$100 of assessed valuation; and (iii) the Order Levying Taxes, attached hereto as **Exhibit F**, be adopted in connection therewith, and the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Peters seconded said motion, which unanimously carried.

## **APPROVAL AND EXECUTION OF AN AMENDED DISTRICT INFORMATION FORM**

Mr. Creed presented to and reviewed with the Board a proposed Amendment to the

District's Amended and Restated District Information Form (the "Amendment") in connection with the District's 2022 tax rate. He advised that an Amendment to such form must be prepared and recorded in the Real Property Records of Harris County and filed with the Texas Commission on Environmental Quality ("TCEQ") when any of the required information therein changes, including the District's tax rate. After discussion regarding the Amendment, Director Lange moved that the Amendment be approved and that all of the Board members present be authorized to execute same on behalf of the Board and the District. Director Peters seconded said motion, which unanimously carried.

### **DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT**

Ms. McLaughlin presented to and reviewed with the Board a Delinquent Tax Report received from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), the District's delinquent tax collections attorneys, dated October 27, 2022, a copy of which Report is attached hereto as **Exhibit G**. Ms. McLaughlin advised that, according to the report, no Board action was necessary at this time.

Ms. McLaughlin exited the meeting at this time.

### **APPROVE MINUTES**

The Board considered approving the minutes of the District's September 22, 2022 Board meeting. After discussion, Director Lange moved that the September 22, 2022 Board meeting minutes be approved, as written. Director Garcia seconded said motion, which unanimously carried.

### **HARRIS COUNTY SHERIFF'S OFFICE SECURITY ACTIVITY REPORT**

Mr. Creed presented the Harris County Sheriff's Office ("HCSO") security activity report for September 2022, a copy of which report is attached hereto as **Exhibit H**, and discussed same with the Board. He then reported that HCSO notified the District regarding a report for criminal mischief at the WWTP. Mr. Wright advised that MOC has investigated same, which merely consisted of a few fence pickets being kicked out, and is working on replacing the damaged fence pickets related to such report.

### **BOOKKEEPER'S REPORT**

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated October 27, 2022, a copy of which report is attached hereto as **Exhibit I**, including the disbursements listed therein. After discussion, it was moved by Director Lange that the report be approved and that the disbursements identified in the report be authorized for payment. Director Knight seconded said motion, which unanimously carried.

**STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING**

The Board considered the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting requirements. In connection therewith, Mr. Creed advised the Board that governmental entities, including the District, are required to prepare an annual report on the entities' metered usage of electricity and the aggregate costs for same. Mr. Hawthorne then noted that Acclaim Energy has provided an annual report, a copy of which is attached to the Bookkeeper's Report, summarizing the District's electricity usage and costs. Mr. Creed advised that no further District action was necessary to achieve compliance.

**REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER**

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), and the adoption of a resolution in connection therewith. Mr. Creed presented for the Board's review an amended Investment Policy and a Resolution Regarding Review of the Investment Policy (the "Resolution"), copies of which are attached hereto as **Exhibit J**. After discussion on the matter, Director Peters moved that the amended Investment Policy be approved, that the Board adopt the Resolution, and that the President and Secretary be authorized to execute the amended Investment Policy and the Resolution on behalf of the Board and the District. Director Sanches seconded said motion, which unanimously carried.

**OPERATIONS REPORT**

Mr. Wright presented to and reviewed the Operations Report for the month of September 2022, a copy of which report is attached hereto as **Exhibit K**, and discussed same with the Board.

Mr. Wright then requested that the Board consider authorizing MOC to move four (4) delinquent accounts to the uncollectible roll in the total amount of \$488.55, since all collection efforts to date had been unsuccessful. After discussion on the matter, Director Sanches moved that MOC be authorized to move four (4) delinquent accounts to the uncollectible roll in the total amount of \$488.55, as recommended by the District's Operator. Director Garcia seconded said motion, which unanimously carried.

Mr. Wright then presented to and reviewed with the Board the Approved Cut Off List dated October, 2022, (the "List"), a copy of which is attached to the Operations and Maintenance Report, and noted that the delinquent accounts identified in the List will be terminated if payment is not timely received, as per the District's Rate Order. Following discussion, the Board concurred to authorize MOC to terminate service if payment is not timely received, as per the District's Rate Order.

Mr. Wright next discussed the Texas Utility Help Program. Mr. Wright advised that said program is intended to assist certain customers with water bill payments. A copy of the program



related materials is attached hereto as **Exhibit L**. After further discussion on the matter and the potential obligations placed on the District and MOC by participating in the program, the Board decline to participate in said program.

### **ENGINEERING REPORT**

Ms. Hurd presented to and reviewed with the Board a written Engineering Report for the District, a copy of which report is attached hereto as **Exhibit M**, and discussed same with the Board.

Ms. Hurd updated the Board regarding the Ground Storage Tank No. 2 Rehabilitation and Water Plant Coatings project (the "Project"), as more fully set forth in the attached Engineering Report. She advised that CobbFendley received four (4) bids for the Project, a copy of the bid tabulation being included with **Exhibit M**, and recommended that the contract for such project be awarded to the second lowest bidder, N.G. Painting, L.P. ("N.G. Painting"), in the amount of \$118,000 which represents the base bid plus alternate items. It was noted that such recommendation was based upon the low bidder's limited experience with similar local projects and a review of their references. Following discussion, upon motion made by Director Lange, seconded by Director Sanches, and unanimously carried, the Board approved the award of the contract for said Project to N.G. Painting, as recommended by the District engineer.

Ms. Hurd advised the Board that Taqueria Arandas, located in the District, experienced a waste order sampling violation during the prior month, as further detailed in the Engineering Report.

Ms. Hurd next updated the Board regarding the cleaning and televising throughout the length of the stormwater pipe in the detention basin, as approved at last month's meeting, and advised that the inspection concluded that there are no repairs required to said pipes. It was also noted that the inspector believes the noticeable divets in the area were possibly caused by animals. No further action was required by the Board regarding same at this time.

### **DISCUSSION REGARDING POTENTIAL WEBSITE**

Director Lange provided the Board with a summary and update of the committee meeting interviews with Off Cinco, LLC, Touchstone District Services, and Triton Consulting Group, LLC, regarding creation of a District website, and discussed same with the Board. After discussion on the matter, Director Sanches moved that the proposal from Off Cinco be accepted and SPH be authorized to work with Off Cinco regarding preparation of an Agreement for same. Director Garcia seconded said motion, which unanimously carried. The Board completed the proposal form to reflect those services being requested at this time.

### **UTILITY COMMITMENTS**

The Board deferred action regarding utility commitments as no additional requests were made this month.

**STATUS REPORT FROM GFL ENVIRONMENTAL REGARDING GARBAGE COMPLAINTS**

Mr. Creed presented to and reviewed with the Board GFL Environmental's ("GFL") report for the month of September 2022, a copy of which report is attached hereto as **Exhibit N**.

**EXECUTIVE SESSION**

The Board determined it would not be necessary to enter into Closed Session pursuant to Texas Government Code Sections 551.071 and/or 551.076.

**ATTORNEY'S REPORT**

The Board considered the Attorney's Report. Mr. Creed reminded the Board that the West Harris County Regional Water Authority has issued a Notice of Anticipated Fees effective January 1, 2023, as discussed last month. He noted that an item will be added to next month's agenda to consider amendment of the District's Rate Order regarding same.

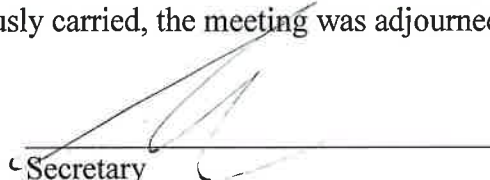
**FUTURE AGENDA MATTERS**

The Board considered items for placement on a future agenda. No specific agenda items, other than routine and ongoing matters and matters noted earlier in the meeting were requested.

**ADJOURNMENT**

There being no further business to come before the Board, upon motion made by Director Lange, seconded by Director Garcia and unanimously carried, the meeting was adjourned.



  
Secretary

**LIST OF EXHIBITS TO MINUTES**

- Exhibit A - Engineering Report for Joint Sewage Treatment Plant Committee Meeting
- Exhibit B - Joint Sewage Treatment Plant Operations Report
- Exhibit C - Joint Sewage Treatment Plant Bookkeeper's Report
- Exhibit D - Tax Assessor/Collector Report
- Exhibit E - Notice of Hearing regarding Tax Rate
- Exhibit F - Order Levying Taxes
- Exhibit G - Delinquent Tax Report
- Exhibit H - Harris County Sheriff's Office Security Report
- Exhibit I - Bookkeeper's Report
- Exhibit J - Order Establishing Policy for Investment of District Funds and Appointing Investment Officer; Resolution regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
- Exhibit K - Operations Report
- Exhibit L - Correspondence regarding Texas Utility Help Service
- Exhibit M - Engineering Report
- Exhibit N - GFL Environmental Report