

SPRING WEST MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors November 23, 2022

The Board of Directors ("Board") of Spring West Municipal Utility District ("District") met in regular session at La Quinta by Wyndham Houston Spring South located at 21119 North Freeway, Spring, Harris County, Texas, on November 23, 2022, in accordance with the duly posted notice of meeting. The meeting was also held via videoconference and teleconference pursuant to Texas Government Code Sections 551.125 and 551.127, as amended. The roll was called of the duly constituted officers and members of said Board, as follows:

Beverly F. O'Neal	President
Kim Stephens	Vice President
W. Eugene Norris, Sr.	Secretary
Scott Shelnett	Assistant Secretary
Jerome A. Patridge	Assistant Secretary

and all persons attended the meeting, thus constituting a quorum. Director Shelnett entered after the meeting was called to order, as noted herein.

Also in attendance were: Jimmy Thornton of Storm Maintenance & Monitoring ("SM&M"); Danielle Gonzalez of Odyssey Engineering Group, Inc. ("Odyssey"); Robert Cardenas of Inframark, LLC ("Inframark"); Eric Badertscher of Off Cinco, LLC ("Off Cinco"); Julie Patridge, a resident of the District; and Abraham Rubinsky and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH"). Ms. Walsh participated in the meeting via teleconference and/or videoconference.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There being no comments from the public, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board of Directors meeting held on October 26, 2022. Upon review, Director Norris moved that the minutes of said meeting be approved as written. Director Patridge seconded said motion, which unanimously carried.

RATIFY PRIOR REVIEW OF FINAL ARBITRAGE REBATE REPORT FOR SERIES 2014 UNLIMITED TAX BONDS

The Board considered ratification of its prior review of an Arbitrage Rebate Calculations Report prepared by Arbitrage Compliance Specialists, Inc. for the final rebate installment computation period in connection with the District's Series 2014 Bonds (the "Series 2014 Arbitrage Rebate Report"). After discussion, Director Patridge moved that the Board's prior review of the final Series 2014 Arbitrage Rebate Report be ratified and approved in all respects. Director Stephens seconded the motion, which carried unanimously.

Director Shelnett entered the meeting at this time.

STORM WATER QUALITY INSPECTION REPORTS

Mr. Rubinsky noted that the Storm Water Quality Inspection Reports ("Inspection Reports") prepared by Storm Water Solutions ("SWS") for the month of October 2022, copies of which are attached hereto as **EXHIBIT A**, were circulated to the Board for its review prior to today's meeting. Ms. Gonzalez noted that Odyssey was recently advised by Karen Sears of SWS that the rock dam located at the outfall of the Spring Plaza Regional Detention Pond, Section 1 ("Spring Plaza Pond Section 1") is blocking flow and inquired whether the Board wished to remove the structure. After discussion, the Board concurred with Director Shelnutt's recommendation that the dam remain in place and that SM&M coordinate with Environmental Development Partners, LLC to run the Spring Plaza Pond Section 1 pump more frequently.

DRAINAGE AND DETENTION FACILITIES MAINTENANCE REPORT

The Board next considered the Drainage and Detention Facilities Maintenance Reports from SM&M (the "D&D Reports") dated November 3, 2022, copies of which are attached hereto as **EXHIBIT B**. In that regard, Mr. Thornton reviewed the D&D Reports with the Board. He and Director Shelnutt then responded to various questions from the Board. The Board noted that no action was necessary in connection with the D&D Reports at this time.

AMENDED AND RESTATED CONSTRUCTION AND MAINTENANCE AGREEMENT WITH HANNOVER FOREST HOMEOWNERS ASSOCIATION

The Board deferred consideration of the proposed Amended and Restated Construction and Maintenance Agreement (the "Amended and Restated Agreement") between the District and Hannover Forest Homeowners Association (the "Hannover Forest HOA") in connection with maintenance by the District of the Hannover Forest, Section Two Detention Pond.

ENGINEER'S REPORT

Ms. Gonzalez presented and reviewed in detail with the Board a written Engineer's Report dated November 23, 2022, a copy of which is attached hereto as **EXHIBIT C**, relative to the status of various engineering and construction projects within the District, and discussed the matters contained therein. After discussion, it was moved by Director Stephens, seconded by Director Shelnutt and unanimously carried that the Engineer's Report be approved and that Pay Request No. 1 and Final in the amount of \$41,166 from Wright Solutions, LLC for Wastewater Treatment Plant Headworks Structural Repairs be approved, as recommended by the District's Engineer. The Board deferred (i) approval of the abandonment of various Water Line and/or Water Meter Easements and acceptance of various Water Line and/or Water Meter Easements required in connection with relocation of the Public Fire Water Line to serve Spring Pines Shopping Center, and (ii) acceptance of the Water Meter Easement required to serve the Saxon Pond Flats project.

In connection with review of District's updated water and wastewater capacity allocation chart, Mr. Rubinsky recommended that certain revisions and updates be made to the chart and discussed SPH's comments to same with Ms. Gonzalez and the Board.

The Board next considered the proposed construction of an emergency water interconnect between the District and Harris County Water Control and Improvement District No. 110 ("No. 110"). In connection therewith, Mr. Rubinsky reported that he directed email correspondence to

the attorney for No. 110 on November 15, 2022, providing notice that the Board executed the Emergency Water Supply Contract between the District and No. 110 at its meeting held on November 9, 2022, and inquiring about execution of same by the Board of No. 110. He advised the Board that he has not yet received a response from No. 110's attorney.

NOTICE OF APPLICATION OF UNDINE TEXAS, LLC ("UNDINE") TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY ("CCN")

The Board next considered the status of Undine's application to the Public Utility Commission ("PUC") to amend its water CCN, which would result in the inclusion of the Starbucks and Otto's/iABAI School annexation tracts into Undine's certificated area and prevent the District from serving said properties. With regard thereto, Mr. Rubinsky reminded the Board that SPH filed a Motion for Contested Case Hearing with the PUC on October 31, 2022, as recommended by the PUC's attorney. He reported that SPH has been in further contact with the PUC's attorney but has not yet received an update on the status of the Motion for Contested Case Hearing.

STATUS OF PROPOSED ANNEXATIONS

The Board considered the status of the proposed annexation and development of various tracts into the boundaries of the District. With regard thereto, Mr. Rubinsky reported that the District is in receipt of signed petitions from 3743-47 UP Spring No. 2, LLC and Mario Raul Otto and Dora Holl Otto relative to the proposed annexations of the 0.5069 acre tract located at 1731 Spring Cypress Road (the "Starbucks Tract") and the 0.61 acre tract (Lots 26, 27 and 28) located at 20615 Sleepy Hollow Lane (the "Sleepy Hollow Tract"), respectively. He noted that the annexations of both the Starbucks Tract and Sleepy Hollow Lane Tract by the District are temporarily on hold pending the resolution of the Undine CCN matter.

In connection with the the proposed annexation of an approximate 19.72 acre tract located at 2324 Louetta Road (the "Louetta Road Tract"), Mr. Rubinsky reported that the District received copies of signed petitions from Centro Cristiano El Alfa y La Omega, Inc. ("CCAO"), the current landowner, and one set of original signed petitions from CCAO's lender, Jet Lending, yesterday. Mr. Rubinsky advised the Board that Mill Creek Residential ("Mill Creek") is following up with CCAO regarding the status of the original petitions it signed, as well as the additional original signed petitions required from Jet Lending. He then noted that MCRT Investments, LLC, the entity created by Mill Creek for development of the Louetta Road Tract, is not scheduled to close on its purchase of the property from CCAO until next year.

The Board deferred consideration of the proposed annexation and development of the 27.7 acre tract located at the southwest corner of Spring Stuebner Road and Holzwarth Road by Dhanani Private Equity Group and the 2.0 acre tract located at 2525 FM 2920 by Alliance Residential after Mr. Rubinsky noted that the annexation petitions relative to said tracts are in the process of being prepared by SPH.

APPROVAL OF UTILITY DEVELOPMENT AGREEMENT ("UDA") AND WAIVER AGREEMENT BETWEEN THE DISTRICT AND MILL CREEK

The Board deferred consideration of a UDA and a Waiver Agreement between the District and Mill Creek.

ISSUANCE OF UTILITY COMMITMENTS

The Board deferred consideration of a request from Turphin Ventures, LLC ("Turphin") for water and sanitary sewer capacity to serve the proposed development of a Top Soap Car Wash on property located at 2020 FM 2920 after Mr. Rubinsky noted that Odyssey is working with Turphin to establish the correct capacity requirement for the proposed development.

DEVELOPERS' REPORTS

The Board deferred consideration of the Developers' Reports, noting that no developer representatives were in attendance at today's meeting whose matter had not already been addressed by the Board.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")

The Board next considered matters related to the Authority. In that regard, Mr. Rubinsky discussed recent activities of the Authority, including the status of construction of the Northeast Water Purification Plant Expansion project.

HARRIS COUNTY CONSTABLE'S OFFICE ("HCCO") MONTHLY ACTIVITY REPORT

Mr. Rubinsky noted that a security report received from the HCCO for the month of October 2022, a copy of which is attached hereto as **EXHIBIT D**, on the current status of criminal activities in the District and surrounding areas was distributed to the Board prior to today's meeting. Director Shelnett noted an increase in robberies along F.M. 2920 over the course of the past month. After discussion, no action was taken by the Board relative to said matter.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Rubinsky advised that he had nothing further to report of a legal nature that was not included under another agenda item.

DISCUSS BOARD MEETING SCHEDULE FOR REMAINDER OF 2022

The Board next discussed its meeting schedule for the remainder of 2022. It was noted that the Board previously concurred to hold its regular meeting scheduled for December 14, 2022, and to cancel its meeting scheduled for December 28, 2022.

CLOSED SESSION

The Board determined that it would not be necessary to meet in Closed Session at this time.

OTHER MATTERS

The Board considered items to be placed on future agendas. Except as may be reflected above, there were no additional agenda items requested other than routine, and ongoing matters.

ADJOURNMENT

There being no further business to come before the Board, Director Shelnuttt moved that the meeting be adjourned. Director Patridge seconded said motion, which unanimously carried.




Secretary, Board of Directors

EXHIBITS

November 23, 2022

Exhibit A: Storm Water Quality Inspection Reports

Exhibit B: Detention and Drainage Facilities Maintenance Reports

Exhibit C: Engineer's Report

Exhibit D: HCCO Security Report