

MINUTES OF MEETING OF  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,  
OF HARRIS COUNTY, TEXAS  
December 22, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 70, of Harris County, Texas (the "District") met in special session on December 22, 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, whom entered later as noted herein, thus constituting a quorum.

Also present at the meeting were Amber Hurd and Rachel Broom 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"); Russ Appelget of Harris County Municipal Utility District No. 264 ("No. 264"); Ginger Peters, a member of the public; 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 November 17, 2022 Board meeting. No comments were offered regarding same.

**ENGINEERING REPORT**

Ms. Broom 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. Broom updated the Board regarding the Wastewater Treatment Plant ("WWTP") Driveway Project, and advised that CobbFendley has solicited bids for same; and recommends that the contract for such project be awarded to Gulf Coast Limestone Inc. ("Gulf Coast") in the

amount of \$162,254.51, a copy of which recommendation is included with **Exhibit A**. Mr. Eby recommended that the contractor be requested to utilize any removed gravel to strengthen the shoulder of the driveway. Mr. Eby and Mr. Appelget noted that they had no objections to the award of the contract as recommended. Following discussion, upon motion made by Director Peters, seconded by Director Lange, and unanimously carried, the Board approved the award of the contract for said project to Gulf Coast in the amount of \$162,254.51, subject to the District's attorneys' review of the payment and performance bonds and insurance certificate submitted in connection with the contract to determine if the payment and performance bonds and insurance meet the requirements of the bid specifications, the Texas Insurance Code, the rules of the Texas Commission on Environmental Quality and the provisions of the Texas Water Code.

### **OPERATIONS REPORT**

Mr. Wright presented to and reviewed with the committee members the Wastewater Treatment Plant Operations Report for the month of November 2022, a copy of which report is attached hereto as **Exhibit B**, and discussed same with the Board.

Mr. Wright advised the Board that the District recently received correspondence from Harris County Pollution Control Services, regarding a violation notice. Mr. Wright then advised the Board that MOC will respond to such violation by December 27, 2022. Following discussion, the Board concurred to authorize MOC to respond to such correspondence by December 27, 2022.

A discussion ensued regarding the anticipated upcoming freeze weather event. Mr. Wright advised the Board that MOC will have personnel within the area of the District during such time. No action was taken by the Board.

Director Knight entered during the above discussion.

### **BOOKKEEPER'S REPORT**

Mr. Hawthorne presented to and reviewed with the Board the Joint Sewage Treatment Plant Bookkeeper's Report dated December 22, 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 Lange that the Bookkeeper's Report be approved and that the disbursements identified in the report be authorized for payment. Director Garcia seconded said motion, which unanimously carried.

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

The Board next considered the attorney's report. Mr. Creed advised that he had nothing of a legal nature to report to the committee members at this time.

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

\* \* \*

**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.

**APPROVE MINUTES**

The Board considered approving the minutes of the District's November 17, 2022 Board meeting. After discussion, Director Lange moved that the November 17, 2022 Board meeting minutes be approved, as written. Director Sanches 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 November 2022, a copy of which report is attached hereto as **Exhibit D**, and discussed same with the Board.

**BOOKKEEPER'S REPORT**

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated December 22, 2022, a copy of which report is attached hereto as **Exhibit E**, including the disbursements listed therein. After discussion, it was moved by Director Garcia that the report be approved and that the disbursements identified in the report be authorized for payment. Director Lange seconded said motion, which unanimously carried.

**TAX ASSESSOR/COLLECTOR'S REPORT**

Ms. McLaughlin presented and reviewed the Tax Assessor/Collector's Report for November 2022, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit F**. 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 Garcia seconded said motion, which unanimously carried.

**DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT**

The Board deferred action with respect to the review of a Delinquent Tax Report from the District's Delinquent Tax Collections Attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P., as a report was not received this month.

## **OPERATIONS REPORT**

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

Mr. Wright then presented to and reviewed with the Board the list of delinquent accounts for the prior month. He inquired if the Board was interested in delaying water terminations due to the holidays. He then requested authorization to move eight (8) accounts to collections in the amount of \$1,333.79. Upon discussion, Director Sanches moved (i) to change the cut-off date for delinquent accounts to after January 1, 2023, and (ii) that MOC be authorized to forward eight (8) accounts to collections in the amount of \$1,333.79, as discussed. Director Lange seconded said motion, which unanimously carried.

The Board briefly discussed the status of recent water quality sampling and customer and/or public notifications regarding same.

The Board deferred discussion regarding new payment options for customers at this time.

## **IMPLEMENTATION OF PUBLIC UTILITY COMMISSION OF TEXAS RULES RELATING TO SENATE BILL 3**

Mr. Creed presented to and reviewed with the Board a Memorandum prepared by SPH detailing the Public Utility Commission of Texas' (the "PUC") publication of 16 TAC, Sections 24.173 and 24.364 relating to the implementation of Senate Bill 3 ("S.B. 3"). A copy of the Memorandum is attached hereto as **Exhibit H**. The Board was informed that a notice containing certain required information must be provided to each of the District's retail water or sewer customers prior to January 31, 2023. After discussion, Director Peters, moved to approve the required notice language prepared by SPH and to authorize MOC to include the approved notice as an insert into the District's next utility bill. Director Sanches seconded the motion, which carried unanimously.

## **AMENDMENT TO RATE ORDER**

Mr. Creed next presented to and reviewed with the Board an amended Rate Order. He advised that this Rate Order would allow sixty (60) days to refund deposits to customers and would address changes in the law resulting from the PUC's implementation of S.B. 3.

He then present to and reviewed with the Board correspondence from West Harris County Regional Water Authority ("WHCRWA"), a copy of which is attached hereto as **Exhibit I**, and discussed with the Board WHCRWA's rate adjustment to be effective January 1, 2023.

After discussion on the matter, Director Peters moved that the District's Rate Order be amended to include (i) sixty (60) days to refund deposits to customers and language addressing changes in the law resulting from the PUC's implementation of S.B. 3., and (ii) an increase in the

WHCRWA fee charged to District customers from \$4.51 per 1,000 gallons to \$4.78 per 1,000 gallons, to become effective as of January 1, 2023, and that any and all rate orders heretofore adopted by the Board be revoked and that the attached Rate Order be passed and adopted. Director Sanches seconded said motion, which unanimously carried. The Rate Order, as amended, is attached hereto as **Exhibit J**.

### **ENGINEERING REPORT**

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

A discussion ensued regarding the Encroachment and Indemnity Agreement ("Encroachment Agreement") for the commercial project located on FM 529. Ms. Broom advised that such Encroachment Agreement is in progress, and requested that SPH review and provide feedback regarding the related exhibit.

### **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 November 2022, a copy of which report is attached hereto as **Exhibit L**.

### **DISTRICT WEBSITE**

The Board considered the administration of the District's website. In connection therewith, Mr. Creed presented to and reviewed with the Board an analytics report for the month of November 2022, prepared by Off Cinco, LLC ("Off Cinco"), a copy of which is attached hereto as **Exhibit M**. A discussion ensued regarding the frequency in which the District receives such reports from Off Cinco and the cost for preparation. After discussion, the Board concurred to initially request quarterly website reports from Off Cinco during the months of March, June, September and December.

### **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 advised he had nothing further to discuss with the Board of a legal nature which was not covered elsewhere on the agenda.

**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 Knight, seconded by Director Garcia and unanimously carried, the meeting was adjourned.

  
Secretary

656322.1



**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 - Harris County Sheriff's Office Security Report
- Exhibit E - Bookkeeper's Report
- Exhibit F - Tax Assessor/Collector Report
- Exhibit G - Operations Report
- Exhibit H - Memorandum regarding Public Utility Commission of Texas implementation of Senate Bill 3
- Exhibit I - Correspondence from West Harris County Regional Water Authority
- Exhibit J - Rate Order
- Exhibit K - Engineering Report
- Exhibit L - GFL Environmental Report
- Exhibit M - Website Analytics Report from Off Cinco, LLC