

MINUTES
EMERALD FOREST UTILITY DISTRICT

June 13, 2022

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 13th day of June, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Bobby G. Dillard	President
Robert M. Kimball	Vice President
William B. Schmidt	Secretary/Investment Officer
Donald F. Brooks	Asst. Vice President
DeWayne High	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Angie Hartwell and Michael Willett of Touchstone District Services ("Touchstone"); Stephanie Viator of District Data Services, Inc.; Lonnie Lee of Regional Water Corporation ("RWC"); Patty Rodriguez of Bob Leared Interests ("BLI"); Sherry Grant of AEI Engineering, a Baxter & Woodman Company ("AEI"); and Katie Sherborne, Andrew Vaughan, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There was no discussion on this agenda item.

APPROVE MINUTES

The Board considered approving the minutes of the May 9, 2022, regular meeting and the May 24, 2022, special meeting. After discussion, Director Schmidt moved to approve the minutes of the May 9, 2022, regular meeting and the May 24, 2022, special meeting, as submitted. Director Brooks seconded the motion, which passed unanimously.

WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell reviewed the website and communication report, a copy of which is attached. The Board requested Touchstone post an article to the District's website with water conservation information.

The Board discussed potentially holding a maintenance and operation tax election in May, 2023. After discussion, Director Dillard moved to authorize

Touchstone to begin work on a potential maintenance and operations tax election. Director Kimball seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez presented the monthly tax report, a copy of which is attached. She stated that 98.4% of the District's 2021 taxes were collected as of the end of May. She also reported that the District's 2022 preliminary assessed value is approximately \$597 million. Ms. Rodriguez then reviewed the District's delinquent tax roll.

The Board reviewed the delinquent tax report provided by Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached. The Board discussed the delinquent tax account for 9519 Turtle Log Trail. After discussion, the Board concurred with the recommendation from Perdue to delay water termination for the delinquent tax account for 9519 Turtle Log Trail.

After review of the tax bills and corresponding checks, Director Brooks moved to approve the tax report and payment of the tax bills. Director High seconded the motion, which passed unanimously.

THIRD AMENDMENT TO AGREEMENT FOR SERVICES OF TAX ASSESSOR AND COLLECTOR

Ms. Rodriguez reviewed a Third Amendment to Agreement for Services of Tax Assessor and Collector, reflecting updated BLI rates. After review and discussion, Director High moved to approve the Third Amendment to Agreement for Services of Tax Assessor and Collector and direct that the Amendment be filed appropriately and retained in the District's official records. Director Schmidt seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District's delinquent tax attorney to proceed with the collection of the 2021 delinquent tax accounts as of July 1, 2022. After review and discussion, Director Schmidt moved to authorize the delinquent tax attorney to proceed with collection of delinquent taxes. Director High seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board deferred this agenda item, pending receipt of an insurance renewal proposal from Arthur J. Gallagher & Co.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Viator reviewed the bookkeeper's report, including the District's investments and the budget comparison, and submitted the bills for payment. A copy of the bookkeeper's report is attached.

After review and discussion, Director Kimball moved to approve the bookkeeper's report, the District's investments, and payment of the bills. Director Schmidt seconded the motion, which passed unanimously.

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

The Board considered adopting a Resolution Expressing Intent to Reimburse for the purchase and installation of electronic smart meters. After review and discussion, Director Schmidt moved to adopt the Resolution Expressing Intent to Reimburse and direct that the Resolution be filed appropriately and retained in the District's official records. Director High seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Lee presented the operations report from RWC, a copy of which is attached. He reported on routine maintenance and repair items in the District. He stated that water accountability for the prior billing cycle was 93.3%.

Mr. Lee reviewed a request from account no. 1-30-05680-04 requesting a payment arrangement for high water and sewer bills in April and May, 2022 due to a leaking toilet.

Mr. Lee reviewed a request from account no. 1-30-03365-02 requesting an adjustment to a high water and sewer bill in March 2022 due to high usage.

Mr. Lee reported that there is a delinquent utility bill for the commercial account no. 1-30-5039500 and he noted that the account is currently being billed for sewer service only. He noted that the new owner of the property has not set up service and reported that the District has been unable to access the public utility facilities located on the property. The Board discussed plugging the sanitary sewer line and sending correspondence to the property owners regarding access to the facilities.

Mr. Lee reviewed a request from account no. 1-30-04715-09 requesting a waiver of a delinquent letter fee.

After review and discussion, Director High moved to (1) approve the operator's report; (2) authorize a three-month payment plan for account no. 1-30-05680-04, plus the current month's bill as it becomes due; (3) deny the request for an adjustment for account no. 1-30-03365-02; (4) authorize RWC to plug the sanitary sewer line serving the property for account no. 1-30-5039500; (5) authorize ABHR to send correspondence to the

property's owners for the property for account no. 1-30-5039500, if necessary; and (6) deny the request for a waiver of a delinquent letter fee for account no. 1-30-04715-09. Director Brooks seconded the motion, which passed unanimously.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of water and sewer service to delinquent accounts. Mr. Lee stated that the residents on the list were delinquent in payment of their water and sewer bills and had been given written notification prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bills and to show reason for nonpayment, all in accordance with the District's Rate Order. After discussion, Director High moved that, because the customers on the list were neither present at the meeting nor had presented any written statement on the matter, water and sewer service for accounts totaling \$10 or more would be terminated the following week in accordance with the District's Rate Order, except (i) accounts in compliance with payment agreements, and (ii) commercial accounts, which are to be contacted first by RWC and then terminated the following Monday if payment has not been received. Director Brooks seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Grant reviewed the report regarding the status of engineering projects in the District, a copy of which is attached.

SURFACE WATER, CHLORAMINE CONVERSION, AND BLEACH DISINFECTION CONVERSION

Ms. Grant updated the Board on the status of the North Harris County Regional Water Authority's ("NHCRWA") construction at Water Plant No. 3, as reflected in her report. She reported on the meeting with the NHCRWA held on June 8, 2022, regarding the proposed substantial modifications to the chemical tanks for the new buildings at the water plant sites.

Ms. Grant updated the Board on the request from the NHCRWA to overlap the District's existing 20-foot water line easement for the NHCRWA's proposed 16-inch surface water line along the District's western boundary. She stated that the NHCRWA also requested to route the surface water lines through the District Water Plant No. 3 site, which AEI does not recommend. Discussion ensued.

FM 1960 LIFT STATION NO. 5 AND FORCE MAIN EXTENSION

Ms. Grant updated the Board on the status of the FM 1960 lift station no. 5 project, as reflected in her report. She reviewed and recommended approval of

Pay Estimate No. 4 in the amount of \$98,793.00, submitted by Persons Services Corporation ("Persons"). After review and discussion, Director Brooks moved to approve Pay Estimate No. 4 in the amount of \$98,793.00, submitted by Persons, as recommended. Director Kimball seconded the motion, which passed unanimously.

Ms. Grant updated the Board on the status of the force main extension project, as reflected in her report. She reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$105,205.62, submitted by Scohil Construction Services, LLC ("Scohil"). After review and discussion, Director Brooks moved to approve Pay Estimate No. 2 in the amount of \$105,205.62 to Scohil, as recommended. Director Kimball seconded the motion, which passed unanimously.

FM 1960 WATER AND SANITARY SEWER EXTENSION AND LETTER AGREEMENT

Ms. Grant updated the Board on the status of the FM 1960 water and sanitary sewer extension project, as reflected in her report. She did not have any Pay Estimates or Change Orders from D.L. Elliott Enterprises, Inc. for the Board's approval.

Ms. Grant stated that there was no update regarding the proposed second water interconnect with Reid Road Municipal Utility District No. 1.

WATER AND SANITARY SEWER EXTENSION TO SERVE REPUBLIC BUSINESS CENTER ("RBC") TRACT

Ms. Grant updated the Board on the status of the public water line upsizing project to serve the RBC tract, as reflected in her report. She did not have any Pay Estimates or Change Orders from Aranda Industries LLC ("Aranda") for the Board's approval.

Ms. Grant updated the Board on the status of the public sanitary sewer extension at the wastewater treatment plant site, as reflected in her report. She did not have any Pay Estimates or Change Orders from Aranda for the Board's approval. Ms. Grant stated that the developer has been requested to provide the flowline elevation for the public portion of the sanitary sewer line.

CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

There was no discussion on this matter.

WOODEDGE VILLAGE SANITARY SEWER REHABILITATION

Ms. Grant updated the Board on the status of the Woodedge Village

sanitary sewer and manhole rehabilitation project, as reflected in her report. She reviewed an updated construction schedule from the contractor, a copy of which is attached to the engineer's report. Ms. Grant did not have any Pay Estimates or Change Orders from T. Gray Utility & Rehab Co., LLC for the Board's approval.

FEASIBILITY STUDIES, PLAN REVIEWS, AND UTILITY AVAILABILITY REQUESTS

Ms. Grant stated that AEI reviewed the revised tenant improvement plumbing plans for Nexus Park, Building Nos. 1, 2, and 4 and provided plan review letters to the developer on June 8, 2022, copies of which are attached to the engineer's report.

Ms. Grant stated that AEI reviewed the plans for the proposed development of a warehouse industrial development on a 9.67-acre tract located on the west side of FM 1960 between Bobcat Road and Falcon Road and provided a plan review letter on June 7, 2022, a copy of which is attached to the engineer's report. She stated that the engineer for the development has requested the CAD files for the proposed District facilities for the tract. After discussion, the Board concurred to authorize AEI to provide the CAD files for the proposed District facilities that will be located on the tract.

Ms. Grant stated that AEI is preparing a true-up of the balance of the deposit for the 4.93-acre site at 10660 Woodedge Drive for both the current owner, JAG Real Investments, LLC, and the prior owner, STVA Scaffold, Inc.

CYPRESS GLEN SANITARY SEWER REPAIR PROJECT

Ms. Grant updated the Board on the status of the design of the sanitary sewer and manhole rehabilitation project for Cypress Glen, as reflected in her report.

UPDATE ON BOND APPLICATION

Ms. Grant updated the Board on the status of the bond application.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Ms. Grant updated the Board on the status of the preparation of the wastewater treatment plant permit renewal application.

Ms. Sherborne reviewed a proposed Maintenance Agreement for Paving

Improvements with CIVF VI DEV - TX2M01-M04, LLC, which absolves the District of any and all maintenance responsibilities related to the private paved driveway located on the 0.5084-acre access tract, which provides access to the District's detention pond. After review and discussion, Director Brooks moved to approve the Maintenance Agreement for Paving Improvements, subject to final review, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Kimball seconded the motion, which passed unanimously.

PETITION FOR ADDITION OF CERTAIN LAND AND PETITION FOR CITY CONSENT TO ANNEX LAND

There was no discussion on this agenda item.

ACCEPT WAIVER OF SPECIAL APPRAISAL

There was no discussion on this agenda item.

APPROVE THIRD ADDENDUM TO WATER SUPPLY AND WASTE DISPOSAL CONTRACT WITH CY-FAIR ISD

There was no discussion on this agenda item.

ATTORNEY'S REPORT

There was no discussion on this agenda item.


Secretary, Board of Directors

(SEAL)



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