

SPRING WEST MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors March 22, 2023

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 March 22, 2023, 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, with Director Patridge participating via videoconference, thus constituting a quorum.

Also in attendance were: Glenn Woodson of Storm Maintenance & Monitoring ("SM&M"); Justin Ring and Danielle Gonzalez of Odyssey Engineering Group, Inc. ("Odyssey"); Jessica Berrios of Dhanani Private Equity Group ("DPEG"); Eric Badertscher of Off Cinco, LLC ("Off Cinco"); and Abraham Rubinsky, Katie Blasio and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH"). Mr. Ring, Ms. Berrios, Mr. Rubinsky, Ms. Blasio and Ms. Walsh participated in the meeting via teleconference and/or video conference.

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 February 22, 2023. Upon review, Director O'Neal moved that the minutes of said meeting be approved as presented. Director Norris seconded said motion, which unanimously carried.

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 February 2023, copies of which are attached hereto as **EXHIBIT A**, were circulated to the Board for its review prior to today's meeting. Mr. Rubinsky noted the deteriorated state of a certain outfall pipe located within the Hannover Springs Regional Detention Pond (the "Hannover Springs Regional Pond"), which he believes was installed during the construction of Phase I of the Hannover Springs Regional Pond. Mr. Ring advised that the repair and/or replacement of said outfall pipe may qualify as a joint project with Meadowhill Regional Municipal Utility District ("Meadowhill"). After Mr. Rubinsky recommended that the cost for such a project be split between the District

and Meadowhill on a pro rata basis relative to the total acreage of the Hannover Springs Regional Pond owned by each district, Mr. Ring stated that Odyssey will contact the engineer for Meadowhill to discuss the matter further.

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 March 21, 2023, a copy of which is attached hereto as **EXHIBIT B**. In that regard, Mr. Woodson reviewed the D&D Reports and responded to various questions from the Board. He noted in particular a sink hole which has formed beside the outfall pipe from the HEB property located at 2121 FM 2920 into Senger Gully. Ms. Gonzalez advised the Board Odyssey is in the process of reviewing a proposal prepared by SM&M in the estimated total amount of \$2,000 for repair of the outfall pipe and adjacent sink hole. Director Shelnut requested that SM&M install safety fencing around the site pending repair of the sink hole. After discussion, the Board noted that no action was required on its part 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 March 22, 2023, 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. Ms. Gonzalez then responded to various inquiries from the Board. With regard to the proposed extension of the District's water line along Holzwarth Road (the "Holzwarth Water Line Extension"), Ms. Gonzalez reported that Odyssey is working on the design of the Holzwarth Water Line Extension, the proposed configuration for which was approved by the Board at its meeting on March 8, 2023. With regard thereto, Mr. Rubinsky reported that SPH has determined that the District has an existing easement along the southern boundary of the New Life Christian Reformed Church tract adjacent to FM 2920 but has not obtained an easement along the eastern boundary of said tract adjacent to Holzwarth Road. Ms. Gonzalez then presented a preliminary cost estimate in the amount of \$532,400 for construction of the proposed Holzwarth Water Line Extension, which includes an allowance for easements, a copy of which is attached to the Engineer's Report. After discussion, it was noted that no action was required by the Board in connection with the Engineer's Report at this time.

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 to amend its water CCN and the District's intervention in such matter due to pending annexations which would be adversely impacted. In connection therewith, Mr. Rubinsky updated the Board regarding the status of communications with representatives of the

approximate 0.5069 acre tract located at 1731 Spring Cypress Road (the "Starbucks Tract") and the approximate 0.61 acre tract (Lots 26, 27 and 28) located at 20615 Sleepy Hollow Lane (the "Sleepy Hollow Tract"). He reported that the owners and/or representatives of both Tracts are considering paying Undine a combined total of \$75,000 to be removed from its CCN map. Mr. Rubinsky advised the Board that SPH is in the process of compiling certain historical information and cost estimates as requested by the owners and/or representatives of the Starbucks Tract and the Sleepy Hollow Tract, respectively, to assist with their decision making.

STATUS OF PROPOSED ANNEXATIONS

The Board considered the proposed annexation and development of the approximate 19.7221 acre tract located at 2324 Louetta Road (the "MCRT Investments Tract") owned by Centro Cristiano El Alfa y La Omega ("CCAO"). In connection therewith, Mr. Rubinsky presented to and reviewed with the Board a Petition for Addition of Land to the District and a Petition for Consent to Include Additional Land in District (the "Consent Petition") (collectively, the "Petitions") both of which have been signed by CCAO. After discussion, it was moved by Director Patridge, seconded by Director Shelnut and unanimously carried, that (i) the Board accept the Petitions, (ii) the President be authorized to execute the Consent Petition on behalf of the Board and the District, and (iii) SPH and Odyssey be authorized to complete and submit the annexation application and the Consent Petition to the City of Houston.

In connection with the proposed annexation and development of an approximate 27.7 acre tract located at the southwest corner of Spring Stuebner Road and Holzwarth Road by various DPEG development entities and an approximate 16.2 acre tract located west of Holzwarth Road and north of the District (the "Stream Tract") by Stream Realty Partners (collectively, the "Northern Annexation Tracts"), Ms. Gonzalez presented to and reviewed with the Board preliminary cost estimates and an exhibit depicting Options A through C for the proposed extension of a sanitary sewer line along Holzwarth Road (the "Holzwarth Sanitary Sewer Line Extension") to serve the Northern Annexation Tracts. Copies of the cost estimates and exhibit for the proposed Holzwarth Sanitary Sewer Line Extension are attached to the Engineer's Report. After discussion, the Board determined to consider the matter further at a future meeting but directed Odyssey to remove Option A from consideration going forward.

STATUS OF FEASIBILITY REPORT RELATIVE TO PROPOSED ANNEXATION AND DEVELOPMENT OF THE STREAM TRACT

Ms. Gonzalez reminded the Board that Stream Realty Partners has paid the \$15,000 deposit required to cover any costs the District may incur in connection with the preparation an Annexation Feasibility Report and advised that Odyssey is currently working on the related feasibility study.

APPROVAL OF UTILITY DEVELOPMENT AGREEMENT ("UDA") AND WAIVER AGREEMENT BETWEEN THE DISTRICT AND MCRT INVESTMENTS, LLC ("MCRT")

The Board deferred consideration of a UDA and a Waiver Agreement between the District and MCRT in connection with the proposed annexation and development of the MCRT Tract.

ISSUANCE OF UTILITY COMMITMENTS

The Board deferred consideration of requests for Utility Commitments, noting that no new requests have been received.

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 House Bill 3820 which proposes to exclude the Authority from the boundaries of the Harris Galveston Subsidence District.

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

Mr. Rubinsky noted that a security report received from the HCCO for the month of February 2023, 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. 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.

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 Stephens moved that the meeting be adjourned. Director Shelnuttt seconded said motion, which unanimously carried.




Secretary, Board of Directors

EXHIBITS

March 22, 2023

- Exhibit A: Storm Water Quality Inspection Reports
- Exhibit B: Detention and Drainage Facilities Maintenance Report
- Exhibit C: Engineer's Report
- Exhibit D: HCCO Security Report