

MINUTES  
EMERALD FOREST UTILITY DISTRICT

May 23, 2023

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in special session, open to the public, on the 23rd day of May, 2023, at the offices of Baxter & Woodman, Inc., 11450 Compaq Center West Drive, Suite 660, Houston, TX 77070, 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                |
| Donald F. Brooks   | Assistant Vice President |
| DeWayne High       | Assistant Secretary      |

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

Also present at the meeting were Kim Courte of Arthur J. Gallagher & Co. ("AJG"); Lonnie Lee of Regional Water Corporation ("RWC"); Sherry Grant of Baxter & Woodman, Inc. ("B&W"); and Katie Sherborne and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

SECURITY SERVICES REPORT

The Board reviewed the April 2023 security services report from the Harris County Sheriff's Office, a copy of which is attached.

ENGINEER'S REPORT

Ms. Grant reviewed the engineer's report, a copy of which is attached.

SURFACE WATER, CHLORAMINE CONVERSION, AND CHLORINE DISINFECTION CONVERSION

Ms. Grant updated the Board on the status of the North Harris County Regional Water Authority's construction at Water Plant No. 3, as reflected in her report.

The Board discussed potentially utilizing a phosphate treatment system at Water Plant No. 3, which can inhibit the corrosion of iron pipes due to surface

water. Ms. Grant stated that the District would need to obtain Texas Commission on Environmental Quality approval and conduct periodic sampling and water testing in order to utilize phosphate treatment. The Board directed RWC to conduct a preliminary water sampling test to establish a baseline and prepare a cost estimate for the required sampling should the District pursue phosphate treatment.

#### FM 1960 LIFT STATION NO. 5

Ms. Grant updated the Board on the status of the FM 1960 lift station no. 5 project, as reflected in her report. She did not have any Pay Estimates or Change Orders from Persons Services Corporation for the Board's approval.

Ms. Grant updated the Board on the status of obtaining electrical service for lift station no. 5. She stated that the contractor has requested to utilize the District's permanent generator to run the lift station until permanent electrical service is available. She stated that B&W has requested that the contractor provide documentation that states that utilizing the permanent generator with the temporary automatic transfer switch will not void the warranty.

#### FM 1960 WATER AND SANITARY SEWER EXTENSION

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 B&W requested an updated project schedule from the contractor on May 15, 2023.

#### WATER EXTENSION TO SERVE REPUBLIC BUSINESS CENTER ("RBC") TRACT

Ms. Grant stated that construction of the public water line upsizing project to serve the RBC tract is complete. She reviewed and recommended approval of Pay Estimate No. 9 and Final in the amount of \$24,534.96, submitted by Aranda Industries LLC ("Aranda"). She also recommended the Board accept the project.

After review and discussion, Director Kimball moved to approve Pay Estimate No. 9 and Final in the amount of \$24,534.96 to Aranda and accept the project, as recommended. Director Schmidt seconded the motion, which passed unanimously.

#### CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

Ms. Grant stated that B&W is working on providing the utility plans for Cypress North Houston Road to Kuo & Associates.

## 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 and recommended approval of Change Order No. 3 to decrease the contract in the amount of \$22,587.00, submitted by T. Gray Utility & Rehab Co., LLC ("T. Gray"). Ms. Grant stated that Change Order No. 3 is for quantity adjustments. The Board determined that Change Order No. 3 is beneficial to the District.

After review and discussion, Director Kimball moved to approve Change Order No. 3 to decrease the contract in the amount of \$22,587.00, submitted by T. Gray, based on the engineer's recommendation and the Board's determination that the Change Order is beneficial to the District. Director Schmidt seconded the motion, which passed unanimously.

The Board discussed the issuance of liquidated damages against the contractor for project delays. Ms. Grant stated that the District's allowable liquidated damages under the contract is approximately \$200,000 and B&W's estimate of actual damages is approximately \$75,000. Discussion ensued.

## FEASIBILITY STUDIES, PLAN REVIEWS, AND UTILITY AVAILABILITY REQUESTS

Ms. Grant updated the Board on the status of the pending plan reviews, service requests, and feasibility studies, as reflected in her report.

Ms. Grant stated that B&W completed review of the plans for the proposed build-out of a Sleepy's Po-Boys located at 10922 Cypress Creek Parkway, Suite A and issued a plan review letter, a copy of which is attached to the engineer's report. She stated that B&W has since received revised plans, which B&W is reviewing.

Ms. Grant stated that the District received the required plan review deposit, so B&W is reviewing the remaining build-out plans for the Nexus Park, Building Nos. 1 and 3 tenant improvements.

## CYPRESS GLEN SANITARY SEWER REPAIR PROJECT

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

UPDATES TO EMERGENCY PREPAREDNESS PLAN ("EPP") AND EMERGENCY RESPONSE PLAN ("ERP")

Ms. Grant stated that B&W is working on updates to the District's EPP and ERP to reflect the changes in chemical treatment at the water plants.

UPDATE ON WASTE DISCHARGE PERMIT RENEWAL APPLICATION

Ms. Grant updated the Board on the status of the wastewater treatment plant permit renewal permit, as reflected in her report.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN ("CIP")

Ms. Grant stated that the next quarterly update to the CIP will be presented at the July special meeting.

OTHER ENGINEERING MATTERS

There was no discussion on this agenda item.

DISCUSS RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board discussed the District's insurance policies and current coverage limits and provisions. The Board requested AJG provide an estimate to the Board for adding earth movement to the insurance coverage and for adding cybersecurity coverage to the District's insurance at the June special meeting.

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

There was no discussion on this agenda item.

OPERATIONS REPORT, INCLUDING CUSTOMER CORRESPONDENCE

Mr. Lee reviewed the Greens Bayou E. coli report acknowledging samples taken in April, 2023, a copy of which is attached.

Mr. Lee stated that the back fence at lift station no. 4 requires replacement in the amount of \$9,885. The Board discussed utilizing galvanized steel posts instead of cedar posts.

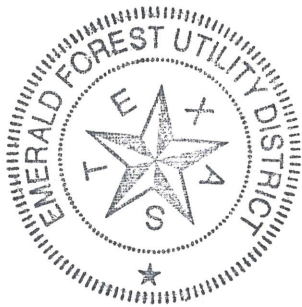
Mr. Lee stated that the level indicators on the bleach and sodium bisulfite chemical tanks at the wastewater treatment plant need to be replaced in the amount of \$8,300.

After review and discussion, Director Dillard moved to (1) approve the replacement of the back fence at lift station no. 4 in an amount not to exceed \$11,000, utilizing galvanized steel posts as discussed; and (2) approve the replacement of the level indicators on the bleach and sodium bisulfite chemical tanks at the wastewater treatment plant in the amount of \$8,300. Director High seconded the motion, which passed unanimously.

There being no further matters to come before the Board, the meeting was adjourned.

  
Secretary, Board of Directors

(SEAL)



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