

MINUTES OF MEETING OF
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,
OF HARRIS COUNTY, TEXAS
May 25, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 70, of Harris County, Texas (the "District") met in regular session on May 25, 2023, 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, thus constituting a quorum. Director Knight entered later in the meeting, as noted herein.

Also present at the meeting were Rachel Broom and Amber Hurd of Cobb Fendley & Associates, Inc. ("CobbFendley"); Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MA&C"); Lonnie Wright and Ryan Vaughn of Municipal Operations & Consulting, Inc. ("MOC"); Karen Sears of Storm Water Solutions, LLC ("SWS"); 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"); Chuck Brandman of Harris County Municipal Utility District No. 264 ("No. 264"); 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 April 27, 2023, Board meeting. There were no corrections to the minutes requested.

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.

In connection with the Wastewater Treatment Plant ("WWTP") Driveway Project by Gulf Coast Limestone, Inc. ("GCL"), Ms. Broom presented to and reviewed with the Board Pay

Estimate No. 1 in the amount of \$97,876.35. Ms. Broom next reviewed Change Order No. 1, Option 1 in the amount of \$8,770 for sidewalk replacement, drain line and installation of four bollards, and Change Order No. 1, Option 2 in the amount of \$7,170 for sidewalk replacement and drain line. After discussion, it was moved by Director Peters to approve Pay Estimate No. 1 for \$97,876.35 and Change Order No. 1, Option 1 in the amount of \$8,770 for sidewalk replacement, drain line and installation of four bollards, subject to the receipt and acceptance of an executed Texas Ethics Commission Form 1295 by SPH for the Change Order. Director Lange seconded said motion, which unanimously carried. Copies of Pay Estimate No. 1, Change Order No. 1, Option 1 and Option 2 are attached to the Engineering Report.

Ms. Broom then presented to and reviewed with the Board a memorandum, prepared by CobbFendley for the Board regarding Joint WWTP Sewer Capacity, dated May 25, 2023; a copy of such memorandum is attached hereto as **Exhibit B**. Mr. Eby requested that Mr. Creed review the parties Waste Disposal Agreement to confirm whether all participants must consent for one District to serve property located outside its boundaries. Mr. Creed advised that he would do so. After discussion, the Joint Wastewater Treatment Plant Committee took no action on the matter.

Director Knight entered the meeting during the discussion of Engineering Report.

OPERATIONS REPORT

Mr. Wright presented to and reviewed with the committee members the Wastewater Treatment Plant Operations Report for the month of April 2023, a copy of which report is attached hereto as **Exhibit C**, and discussed same with the Board.

BOOKKEEPER'S REPORT

Mr. Hawthorne presented to and reviewed with the Board the Joint Sewage Treatment Plant Bookkeeper's Report for April 2023, a copy of which report is attached hereto as **Exhibit D**, including the disbursements presented for payment. After discussion, it was moved by Director Sanches that the Bookkeeper's Report be approved and that the disbursements identified in the report be authorized for payment. Director Peters 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.

A discussion ensued regarding the District's next scheduled meeting. After discussion, the Board concurred to reschedule its next meeting from June 22, 2023 to June 15, 2023 at 6:30 p.m., due to a scheduling conflict with the Association of Water Board Directors 2023 summer conference. Mr. Brandman queried the District's engineer regarding whether there will be any Pay Estimates and/or Change Orders presented at the June meeting given that No. 144 and No. 264 will not be meeting before the rescheduled meeting date. After discussion, the Committee concurred to allow the District to approve any Pay Estimates and Change Orders

presented at the June Board meeting and then authorize MAC to hold all related checks to the contractor until the Board of Directors of No. 144 and No. 264 have concurred in the payment of same and have paid their share of the project's costs to the District.

Messrs. Brandman 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.

MINUTES

The Board considered approving the minutes of the District's April 27, 2023, Board meeting. Director Peters noted corrections to Page 3, Paragraph 6 and Page 5, Paragraph 7 of the draft minutes. After discussion, Director Peters moved that the April 27, 2023, Board meeting minutes be approved as revised. Director Lange seconded said motion, which unanimously carried.

HARRIS COUNTY SHERIFF'S OFFICE ("HCSO") SECURITY ACTIVITY REPORT

The Board considered the May 2023 HCSO Security Activity Report, a copy of which report is attached hereto as **Exhibit E**. No action required was by the Board.

Mr. Creed next presented to and reviewed with the Board a notice of Fiscal Year 2024 Rate Increase from the Harris County Constable, Precinct 4's Office advising the Board of a five percent (5%) increase for Law Enforcement Services to become effective on October 1, 2023. A copy of such notice is attached to the HCSO Security Activity Report.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated May 25, 2023, a copy of which report is attached hereto as **Exhibit F**, including the disbursements listed therein. After discussion, it was moved by Director Sanches that the report be approved and that the disbursements identified in the report be authorized for payment. Director Lange a seconded said motion, which unanimously carried.

Mr. Hawthorne presented to and reviewed with the Board a Quarterly Investment Inventory Report, which had been prepared by MA&C for the reporting period ending March 31, 2023, a copy of which is attached to the Bookkeeper's Report. After review of the Quarterly

Investment Inventory Report and upon motion duly made by Director Sanches, seconded by Director Lange and unanimously carried, said Quarterly Investment Inventory Report was approved and the District's Investment Officer was authorized to execute same on behalf of the Board and the District.

CLIENT SERVICES AGREEMENT WITH HR&P, INC. ("HR&P")

Mr. Hawthorne then advised the Board that MAC is now offering direct deposit service for director per diem and expense reimbursement payments through HRP, a third-party payroll provider, and discussed with the Board its costs and benefits. Following discussion on the matter, the Board declined to participate in the program at this time.

ENGAGEMENT OF ARBITRAGE COMPLIANCE SPECIALISTS

Mr. Creed presented to and reviewed with the Board an engagement letter from Arbitrage Compliance Specialists ("ACS") to provide arbitration compliance services relative to the District's \$4,880,000 Unlimited Tax Refunding Bonds, Series 2019, a copy of such engagement letter being attached hereto as **Exhibit G**. After discussion, Director Lange moved that the engagement letter be approved, that ACS be engaged to provide arbitration compliance services as discussed and as recommended by Municipal Risk Management, L.L.C. ("MRMG"), and that the Texas Ethics Commission ("TEC") Form 1295 submitted by ACS relative to same be accepted by the District and that SPH be authorized to accept and acknowledge the TEC Form 1295 on behalf of the District and the Board. Director Sanches seconded the motion, which carried unanimously.

UNCLAIMED PROPERTY REPORT AS OF MARCH 1, 2022

The Board considered approval of an Unclaimed Property Report as of March 1, 2023, prepared by MAC, and the filing of same with the State Comptroller prior to July 1, 2023. In connection therewith, Mr. Hawthorne noted that the District has \$1,536.79 in unclaimed funds to escheat to the State Comptroller, a copy of which is included with **Exhibit H**. After discussion, Director Sanches moved that MAC be authorized to file a Report concerning same with the State Comptroller prior to July 1, 2023. Director Peters seconded said motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. McLaughlin presented and reviewed the Tax Assessor/Collector's Report for April 30, 2023, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit I**. She then advised the Board that the preliminary taxable value within the District increased to approximately \$527 million, which is an approximately 13.5% increase prior to protests. 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 Lange seconded said motion, which unanimously carried.

Ms. McLaughlin next reported on two homestead account payment plans, as reflected on

page 9 of the report.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board deferred consideration of the Delinquent Tax Report from Perdue, Brandon, Fielder, Collins & Mott, LLP, the District's delinquent tax collections attorneys, as there was no report due to the Board this month.

OPERATIONS REPORT

Mr. Wright presented to and reviewed the Operations Report for the month of April 2023, a copy of which report is attached hereto as **Exhibit J**, and discussed same with the Board.

Mr. Wright next requested that the Board consider authorizing MOC to move four (4) delinquent account to the uncollectible roll in the amount of \$380.93, since all collection efforts to date had been unsuccessful. After discussion on the matter, Director Sanches moved that MOC be authorized to move four (4) delinquent account to the uncollectible roll in the amount of \$380.93, as more fully set forth in the attached Operations and Maintenance Report, and as recommended by the District's Operator. Director Peters seconded said motion, which unanimously carried.

The Board then considered the 2022 Consumer Confidence Report ("CCR"), a draft of which is included with **Exhibit J**. Mr. Wright presented to and reviewed with the Board the District's proposed CCR. Mr. Creed reminded the Board that pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the TCEQ, the District is required to provide a report containing various information regarding the District's water supply to all customers of the District by July 1, 2023. After discussion on the matter, Director Sanches moved that the 2022 CCR be approved, subject to SPH's final review of same, and that the operator be authorized to distribute same to the District's customers prior to July 1, 2023. Director Peters seconded the motion, which unanimously carried. The Board requested that the CCR also be posted on the District's website.

STORMWATER SOLUTIONS REPORT

Ms. Sears presented to and reviewed with the Board a proposal from SWS to reinforce and stabilize an outfall pipe located at the Westgate Detention Pond. After discussion, Director Sanches moved to accept the proposal as presented and authorize SPH to accept and acknowledge the TEC Form 1295 on behalf of the Board and the District. Director Peters seconded said motion, which unanimously carried. A copy of the accepted proposal is attached hereto as **Exhibit K**.

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 L**, and discussed same with the Board.

In connection with the two (2) Waste Order violations incurred by Taqueria Arandas in the last six (6) months, the Board concurred to authorize MOC to prepare a letter to Taqueria Arandas concerning remediation of the current grease trap issues that are resulting in violations of the District's Waste Order.

UTILITY COMMITMENTS

The Board deferred action regarding utility commitments as no additional requests were made this month.

STATUS REPORT FROM GFL ENVIRONMENTAL

Mr. Creed presented to and reviewed with the Board GFL Environmental's ("GFL") report for the month of April 2023, a copy of which report is attached hereto as **Exhibit M**.

Mr. Creed next queried the Board as to whether it wanted to continue receiving the Monthly Call Log, which GFL has recently stopped providing. He explained that it would be redacted of all personal account information. After discussion, the Board concurred to request GFL continue providing the Call Log. Mr. Creed noted that SPH will advise GFL accordingly.

DISTRICT WEBSITE

The Board deferred consideration of an Off Cinco Analytics Report, as no report was provided for distribution at the meeting.

COMMUNICATIONS WITH HOMEOWNER'S ASSOCIATIONS ("HOA")

Director Lange reported attending the Westgate HOA meeting and then discussed other matters related to communications with the HOA.

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.

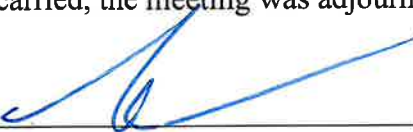
FUTURE AGENDA MATTERS

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 Peters, seconded by Director Sanches and unanimously carried, the meeting was adjourned.





Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Engineering Report – Joint Wastewater Treatment Plant Committee
- Exhibit B Memorandum - Regarding Joint WWTP Sewer Capacity, dated May 25, 2023
- Exhibit C Wastewater Treatment Plant Operations Report
- Exhibit D Joint Sewage Treatment Plant Bookkeeper's Report
- Exhibit E HCSO Security Activity Report
- Exhibit F Bookkeeper's Report and Quarterly Investment Report
- Exhibit G Engagement Letter - Arbitrage Compliance Specialists, Inc.
- Exhibit H Unclaimed Property Report, Inc.
- Exhibit I Tax Assessor/Collector's Report
- Exhibit J Operations Report
- Exhibit K SWS Westgate Detention Pond Outfall Proposal
- Exhibit L Engineering Report
- Exhibit M GFL Environmental's April 2023 Report