

MINUTES OF SPECIAL MEETING OF
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,
OF HARRIS COUNTY, TEXAS
June 15, 2023

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 June 15, 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 Directors Garcia and Knight, thus constituting a quorum. Director Knight entered later in the meeting, as noted herein.

Also present at the meeting were Rachel Broom of Cobb Fendley & Associates, Inc. ("CobbFendley"); Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MA&C"); Ryan Vaughn 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"); 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 May 25, 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, Ms. Broom presented to and reviewed with the Board Pay Estimate No. 2 in the amount of \$53,255.71 for work completed on the Driveway Project by Gulf Coast Limestone, Inc. ("GCL").

After discussion, it was moved by Director Peters to approve Pay Estimate No. 2 to GCL in the amount of \$53,255.71. Director Sanches seconded said motion, which unanimously carried. A copy of Pay Estimate No. 2 is included with **Exhibit A**.

Ms. Broom noted that the bollards discussed at the previous meeting have been installed.

OPERATIONS REPORT

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

A discussion ensued regarding the preparations for the upcoming hurricane season.

BOOKKEEPER'S REPORT

Mr. Hawthorne presented to and reviewed with the Board the Joint Sewage Treatment Plant Bookkeeper's Report for May 2023, a copy of which report is attached hereto as **Exhibit C**, including the disbursements presented for payment. Mr. Hawthorne noted the invoices for plant expenses have not been sent out yet due to the rescheduled meeting date. After discussion, it was moved by Director Peters that the Bookkeeper's Report be approved and that the disbursements identified in the report be authorized for payment. Director Lange seconded said motion, which unanimously carried.

Director Knight entered the meeting during the discussion of the Bookkeeper's Report.

JOINT SEWAGE TREATMENT PLANT ATTORNEY REPORT

The Board next considered the attorney's report. Mr. Creed reported on his research relating to the requirements under the Waste Disposal Agreement for participants to serve tracts located outside their boundaries. He explained that other than certain specified tracts identified in the agreement, tracts located outside the boundaries of a district cannot be provided service unless and until all the participant districts grant their consent through an amendment of the agreement.

Mr. Eby advised that No. 144 plans to televise its sanitary sewer lines and noted that he will keep the committee updated on the progress of the project.

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.

MINUTES

The Board considered approving the minutes of the District's May 25, 2023, Board meeting. After discussion, Director Peters moved that the May 25, 2023, Board meeting minutes be approved as written. Director Lange seconded said motion, which unanimously carried.

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

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

Director Knight discussed the completion of a security evaluation and queried the Board as to whether it wished to make any staffing changes to the District's contract. After discussion, the Board concurred that it had no changes to make at this time.

BOOKKEEPER'S REPORT

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated June 15, 2023, a copy of which report is attached hereto as **Exhibit E**, 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, with the exception of check number 14685 payable to Director Garcia, which was voided. Director Lange seconded said motion, which unanimously carried.

QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE DISTRICT

The Board next considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Creed informed the Board that American Bank, N.A., Southwestern National Bank and Susser Bank have expressed an interest in receiving public funds, pursuant to the Public Funds Investment Act. He then presented to and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the broker list submitted and the broker list previously adopted by the Board; the Resolution and comparison are attached hereto as **Exhibit F**. Mr. Creed further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer and has been revised to include the referenced banks, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Peters moved that: (i) the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the

Board and the District; and (ii) the President and Secretary be authorized to execute same. 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 May 31, 2023, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit G**. She then advised the Board that the preliminary taxable value within the District for 2023 increased to approximately \$527,427,342, prior to protests. After discussion, Director Peters moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Sanches seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

Mr. Creed advised the Board that the District did not receive a Delinquent Tax Report from Perdue, Brandon, Fielder, Collins & Mott, LLP, the District's delinquent tax collections attorneys, for the month of May.

OPERATIONS REPORT

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

Mr. Vaughn next requested that the Board consider authorizing MOC to move seven (7) delinquent accounts to the uncollectible roll in the total amount of \$1,237.63, since all collection efforts to date had been unsuccessful. After discussion on the matter, Director Sanches moved that MOC be authorized to move seven (7) delinquent account to the uncollectible roll in the total amount of \$1,237.63, as more fully set forth in the attached Operations and Maintenance Report, and as recommended by the District's Operator. Director Lange seconded said motion, which unanimously carried.

Mr. Vaughn requested the Board to include on the July agenda for consideration a proposed amendment to MOC's contracts with the District to address a labor rate adjustment.

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 I**, and discussed same with the Board.

A discussion next ensued concerning the status of drainage from a tract located adjacent to the District and the maintenance of associated easements and/or swales in the area. Ms. Bloom informed the Board of her discussions with the engineer from Harris County Municipal Utility District No. 173 ("No. 173") where the adjacent tract is located and is being

developed. She noted that No. 173's engineer would request the contractor on the project to manage the dirt in an effort to improve drainage. Ms. Bloom noted that the project should continue for approximately six to eight months. Ms. Bloom next reported that the Westgate Homeowner's Association ("Westgate") owns a tract located between No. 173 and the District which does not appear to be maintained and may be impacting drainage in this area. After discussion, the Board authorized SPH to contact Angela Burmann, a representative of Westgate's management company, to advise her of the situation and request additional information and/or documentation pertaining to the matter.

Ms. Bloom then presented to and reviewed with the Board the Storm Water Solutions Storm Water Quality Reports for work completed at Westgate Sections 11, 12, 13, 18, 19 and the Detention Ponds, copies of the reports being attached to the Engineer's Report.

CRITICAL LOAD INFORMATION

Mr. Creed advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District and (b) immediately upon any change in the information to the above entities, as well as to the Office of Emergency Management of Harris County, the Public Utility Commission of Texas, and the Division of Emergency Management of the Governor. Following discussion, Director Lange moved to authorize CobbFendley and MOC to make such submissions on behalf of the District, if necessary. Director Knight seconded said motion, which unanimously carried.

DETENTION OUTFALL PIPE REPAIRS

Ms. Bloom reported on the status of the outfall pipe repairs. No action was required by the Board.

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 May 2023 and Call Log. Copies of the report and Call Log are attached hereto as **Exhibit J**.

A discussion ensued regarding GFL's services.

DISTRICT WEBSITE

The Board next considered the website analytics report for March – May 2023, a copy of which is attached hereto as **Exhibit K**.

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.

COMMUNICATIONS WITH HOMEOWNER'S ASSOCIATIONS ("HOA")

Director Lange reported that he had no additional information to report on this matter at this time.

AUTHORIZE COMPLETION, EXECUTION AND FILING WITH THE SECRETARY OF STATE OF VOTING SYSTEM ANNUAL FILING FORM

Mr. Creed requested that the Board authorize SPH to complete and submit to the Secretary of State's Office on behalf of the District a Voting System Annual Filing Form ("Voting Form"). He advised that, pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Voting Form with the Secretary of State's Office on an annual basis, even if the District did not conduct an election during that particular year. After discussion on the Voting Form, Director Lange moved that SPH be authorized to complete the Voting Form and file same with the Secretary of State's Office, as required by law. Director Knight seconded said motion, which unanimously carried.

REQUEST FROM RECORDS MANAGEMENT OFFICER

The Board considered a request from the District's Records Management Officer to destroy SPH's handwritten notes and audio recordings of Board meetings from February 26, 2022, to March 17, 2023, a copy of which request is attached hereto as **Exhibit L**. After discussion on the matter, Director Lange moved that the destruction of said notes be authorized as requested in accordance with the provisions of the District's Records Management Program. Director Knight seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. Mr. Creed advised that Arbitrage Compliance Specialists is preparing the 5th Year Arbitrage Compliance Report for the Series 2019 Unlimited Tax Refunding Bonds.

Mr. Creed presented to and reviewed with the Board correspondence, dated June 12, 2023, from the U.S. Census Bureau regarding the District's participation in a government survey. He noted that the District has received two previous notices about the survey. After discussion

on the matter, Director Peters moved to decline to participate in said survey. Director Sanches seconded said motion, which unanimously carried.

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


Secretary



LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Engineering Report – Joint Wastewater Treatment Plant Committee
- Exhibit B Wastewater Treatment Plant Operations Report
- Exhibit C Joint Sewage Treatment Plant Bookkeeper's Report
- Exhibit D HCSO Security Activity Report
- Exhibit E Bookkeeper's Report and Quarterly Investment Report
- Exhibit F Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions, and Authorized Brokers Comparison List
- Exhibit G Tax Assessor/Collector's Report
- Exhibit H Operations Report
- Exhibit I Engineering Report
- Exhibit J GFL Environmental Report and Call Log
- Exhibit K Off Cinco Analytics Report
- Exhibit L Records Management Destruction Request