

MINUTES
EMERALD FOREST UTILITY DISTRICT

August 14, 2023

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 14th day of August, 2023, 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
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 either in person or via telephone were Jacob Mansfield of National Property Holdings; Angie Hartwell of Touchstone District Services ("Touchstone"); Stephanie Viator of District Data Services, Inc. ("DDS"); Sherry Grant of Baxter & Woodman, Inc. ("B&W"); Lonnie Lee of Regional Water Corporation ("RWC"); Patty Rodriguez of Bob Leared Interests; and Katie Sherborne and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the July 10, 2023, regular meeting and the July 25, 2023, special meeting. After review and discussion, Director High moved to approve the minutes of the July 10, 2023, regular meeting, and the July 25, 2023, special meeting, as submitted. Director Schmidt 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 discussed the District's Drought Contingency Plan and water usage in the District. The Board then considered posting water conservation information to the District's website. After review and discussion, Director Kimball moved to authorize

Touchstone to post water conservation information to the District's website. Director Brooks seconded the motion, which passed unanimously.

GARBAGE COLLECTION AND RECYCLING MATTERS

The Board discussed garbage collection and recycling matters in the District.

APPROVE INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES WITH HARRIS COUNTY

The Board deferred discussion on this agenda item.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez presented the monthly tax report, a copy of which is attached. She stated that 98.6% of the District's 2022 taxes were collected as of July 31, 2023. Ms. Rodriguez then reviewed the District's delinquent tax roll.

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

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR

The Board discussed the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2023 tax year.

After review and discussion, Director High moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developing District for the 2023 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Kimball seconded the motion, which passed unanimously.

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. She also requested the Board approve additional check no. 4927 in the amount of \$46,248.85, payable to Direct Energy.

After review and discussion, Director Kimball moved to approve the bookkeeper's report, the District's investments, and payment of the bills, including check no. 4927 as detailed above. Director Schmidt seconded the motion, which passed unanimously.

BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2024

The Board deferred discussion on this agenda item.

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 86.7%.

Mr. Lee stated that, as part of the conversion to surface water at water plant no. 3, the North Harris County Regional Water Authority ("NHCRWA") installed a ChemScan analyzer to monitor the surface water. He reviewed and recommended approval of a preventative maintenance proposal for the analyzer in the amount of \$21,900 for a three-year term, submitted by ChemScan, Inc. Mr. Lee also reviewed a proposal for a reagent kit in the amount of \$2,544 per year, also submitted by ChemScan, Inc.

Mr. Lee reviewed a request from account no. 1-30-00245-00 requesting a credit to the sewer portion for a high water and sewer bill in July, 2023. He noted that the account has been paid in full and the leak did not appear to pass through the District's sanitary sewer system. After review and discussion, Director Kimball moved to credit the excess sewer charge for account no. 1-30-00245-00. Director Schmidt seconded the motion, which passed by a vote of 4-0 with Director High abstaining from the discussion and the vote.

Mr. Lee reviewed a request from account no. 1-30-50205-00 requesting an account credit for a high water and sewer bill in July, 2023.

After review and discussion, Director Kimball moved to (1) approve the operator's report; (2) approve the proposals from ChemScan, Inc., for preventative maintenance in the amount of \$21,900 for a three-year term and a reagent kit in the amount of \$2,544 per year; and (3) deny the request for an account credit for account no. 1-30-50205-00, but authorize a three-month payment plan, plus the current month's bill as it becomes due. Director High 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 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 Kimball 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 High seconded the motion, which passed unanimously.

DISCUSS, AND IF APPROPRIATE, APPROVE AMENDED SERVICE CONTRACT WITH RWC

The Board considered approving an Amended and Restated Service Contract with RWC, reflecting an updated schedule of rates. After review and discussion, Director Schmidt moved to approve the Amended and Restated Service Contract with RWC and direct that it be filed appropriately and retained in the District's official records. Director Kimball seconded the motion, which passed unanimously.

AUTHORIZE PREPARATION OF BOND APPLICATION

The Board discussed the timing for the District's next bond application. Ms. Sherborne stated that the District's financial advisor will attend the next Board meeting to discuss the proposed sizing and schedule for the next bond application.

ENGINEERING MATTERS

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

SURFACE WATER, CHLORAMINE CONVERSION, AND BLEACH DISINFECTION CONVERSION

Ms. Grant stated there was no update on the status of the NHCRWA's construction at Water Plant No. 3.

Ms. Grant stated that RWC is continuing to conduct the preliminary water sampling in connection with the potential utilization of a phosphate treatment system at Water Plant No. 3.

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 stated that the final inspection was held on July 24, 2023, and B&W provided the contractor with a punch list, a copy of which is attached to the engineer's report. She did not have any Pay Estimates or Change Orders from Persons Services Corporation for the Board's approval.

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. Ms. Grant did not have any Pay Estimates or Change Orders from D.L. Elliott Enterprises, Inc. for the Board's approval.

CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

There was no discussion on this agenda item.

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

Ms. Grant reported that Sueba USA is no longer proceeding with the proposed multi-family and town home development located at the northwest corner of FM 1960 and Mills Road and B&W will not be finalizing the feasibility study reports. The Board discussed the outstanding balance for the feasibility studies. After discussion, the Board directed DDS to send an invoice to the developer for the remaining balance.

Ms. Grant stated that the District received a request from Javier Terzado for utility service for a proposed tenant build out of a Mama C's Cuban Café and Kitchen located at 9637 Cypress Creek Parkway. She stated that B&W informed Mr. Terzado of the District's plan review process, including the required deposit.

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. She stated that she anticipates proving the draft updated EPP and ERP to the Board and consultants for review this month.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Ms. Grant stated that B&W and ABHR coordinated on a response letter to the Texas Commission on Environmental Quality regarding the letter the District received regarding the failure to submit compliance documentation for a Notice of Violation Letter dated September 9, 2019, which was submitted prior to the due date.

APPROVE ANNEXATION AGREEMENT

There was no discussion on this agenda item.

APPROVE DEVELOPMENT FINANCING AGREEMENT

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.

TEXAS PUBLIC INFORMATION ACT REQUESTS

There was no discussion on this agenda item.

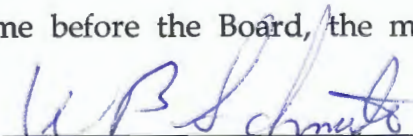
CONVENE IN EXECUTIVE SESSION TO CONSULT WITH ATTORNEY, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board did not convene in Executive Session.

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

(SEAL)




Secretary, Board of Directors

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