

CY-CHAMP PUBLIC UTILITY DISTRICT
Minutes of Meeting of Board of Directors
September 21, 2023

The Board of Directors of Cy-Champ Public Utility District (the “District”) met at 13455 Cutten Road, Suite 1A, Houston, Texas on September 21, 2023, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

Ron Walkoviak, president
Richard M. Spurlock, vice president
Shelley Serres, secretary
Polly Looper, security coordinator

and being absent:

Harold W. Greer, assistant secretary

Also present were Corey Howell of The GMS Group, L.L.C., Michael (Bear) Oakley of Acclaim Energy Advisors, HCCO Sgt. Anthony Sebastian, Michelle Guerrero of Bob Leared Interests, Inc., Tiffany Loggins of L&S District Services, LLC, Mike Plunkett of Eagle Water Management Company, Michelle Kincer of Storm Water Solutions, Rene Hurtado of Sander Engineering Corporation, Katie Golarri of Clark Condon Associates, Inc., Mark W. Brooks of Young & Brooks, and District residents Barbara Joritiz and Charles Joachim.

The president called the meeting to order and declared it open for such business as might come before it. Mr. Walkoviak welcomed the visitors attending the meeting today.

APPROVAL OF MINUTES

Upon motion duly made, seconded and unanimously carried, the board approved the minutes of the August 17, 2023 and August 22, 2023 meetings as presented.

NATIONAL MEMORIAL LADIES

Board member Richard Spurlock reported on behalf of the National Memorial Ladies that the Fallen Warriors Gallery has a new digital sorting method that will enable more consistent rotation of the portraits displayed at the gallery.

TAX RATE

Corey Howell of The GMS Group, L.L.C., the District’s financial advisors, distributed and reviewed a memorandum and spreadsheet regarding the District’s financial requirements to be met with the tax levy for 2023. After review and discussion, the board determined that the District is not a “Developed District” as defined by Texas Water Code Section 49.23602. Based upon the District’s taxable value as certified by the Harris County Appraisal District, GMS is recommending

a debt service tax rate of \$0.160, a water, sewer, and drainage system maintenance tax rate of \$0.095, and a recreational facilities maintenance tax rate of \$0.095, for a total 2023 tax rate of \$0.35. After discussion, upon motion duly made, seconded and unanimously carried, the board authorized the publication of the District's proposed 2023 tax rate as recommended by GMS. The board determined to formally adopt the tax rate at the next regular board meeting, and Mr. Howell excused himself from the meeting.

DIRECTORS ELECTION

Mark W. Brooks of Young & Brooks, the attorneys for the District, presented and reviewed a Joint Election Agreement with Harris County relating to the directors election to be held in and for the District on November 7, 2023. Mr. Brooks advised the board that Harris County will be using the Hart Intercivic Verity Voting 2.5 Voting System for the joint election, which voting system has been certified for use in Texas by the Secretary of State. After discussion, upon motion duly made, seconded and unanimously carried, the board approved the Joint Election Agreement as presented, authorized signature of same on behalf of the District, and adopted the attached Resolution to Adopt the Hart Intercivic Verity Voting 2.5 Voting System.

ELECTRICITY CONTRACT

The board recognized Bear Oakley of Acclaim Energy Advisors, the District's energy consultant, who presented updated pricing currently available to the District for the purchase of electricity after the District's current contract with GLO terminates at the end of December, 2024. Prices are currently high and may come down over the next few months. After discussion, the board deferred action on the contract renewal to the regular November meeting.

QUESTIONS/COMMENTS FROM THE PUBLIC

District resident Charles Joachim, 6818 Napier Ln., reported what he believes is an unused sanitary sewer connection in his backyard that is causing a sinkhole. The board asked that the District's operator investigate. Mr. Joachim thanked the board and excused himself from the meeting.

MONTHLY REPORTS

Michelle Guerrero of Bob Leared Interests, Inc., the District's tax assessor, reported as to the status of District tax collections. She also presented the District's monthly SPA revenue report. The District is 97.804% collected for 2022 taxes, and over 99% collected for all prior years.

Tiffany Loggins of L&S District Services, LLC, the District's bookkeeper, presented their monthly report. She also presented to the board a list of bills for the approval of payment, a copy of which is attached hereto.

Mike Plunkett of Eagle Water Management Company (Eagle), the District's operator, presented a written summary report regarding District operations and facilities. Mr. Plunkett reviewed their report with the board and responded to questions. Mr. Plunkett also updated the board as to drought contingency planning for the District.

Michelle Kincer of Storm Water Solutions (SWS) presented a written report with photographs reflecting their work at the Cutten Road Detention Pond. Ms. Kincer presented and after discussion, upon motion duly made, seconded and unanimously carried, the board approved proposals to desilt the pilot channel at a cost of \$13,200, and to repair the E-inlet on the bank at Cutten Road at a cost of \$3375.

Zach Halbert of Champions Hydro-Lawn, Inc. (CHL) was unable to attend the meeting but had delivered his written report with photographs reflecting their work at the Cutten Road Business Park detention ponds, which they maintain for the District. The report included, and the board unanimously approved a proposal to seed the bottom of the north detention pond at a cost of \$1150.

Rene Hurtado of Sander Engineering Corporation (SEC), the District's engineers, presented a written summary report regarding the status of pending District projects. He reviewed their report with the board and responded to questions.

Mr. Walkoviak reported that Harris County MUD No. 191 has agreed to participate in the costs of the Cutten Parkway irrigation system upgrades, and that the fees to extend the permits for service to Parks A and B will be \$200 for each park, but that 191 has not approved a reduction in the tap fees for the parks.

Mr. Hurtado presented and recommended board approval of Pay Estimate No. 1 and Final to CFG Industries, LLC on their contract for the water line and force main recoating at the trestle crossing Cypress Creek, in the amount of \$89,786.53.

Mr. Hurtado presented and recommended board approval of a proposal by Quiddity Engineering to perform a Water System Analysis and prepare an Elevated Storage Tank Alternative Capacity Requirement TCEQ Application, for a total fee of \$50,000. After discussion, upon motion duly made, seconded and unanimously carried, the board approved the proposal subject to it being addressed to the District rather than to SEC, and further subject receipt of the required Form 1295 from Quiddity.

Katie Golzarri of Clark Condon Associates, Inc. (CCA), the District's landscape architects, reported as to the status of matters pending with respect to the District's park system. Ms. Golzarri reviewed their report with the board and responded to questions.

Ms. Golzarri presented, recommended, and upon motion duly made, second and unanimously carried, the board approved proposals by Jinco Inc., the District's landscape maintenance contractor, for the following work items:

- removal of a dead tree on Napier Lane, at a cost of \$700,
- removal of tree limbs overhanging the memorials, at a cost of \$400, and
- installation of a backflow preventor with cage, extend water line and connect the existing drinking fountain, at a cost of \$1560

Ms. Golzarri presented, recommended and after discussion, upon motion duly made, second and unanimously carried, the board approved Pay Application No. 1W in the amount of \$34,150.50 for WSD items, and Pay Application No. 1P in the amount of \$180,694.80 for Park related items, for payment to Texas Wall Systems, LLC dba Texas Wall and Landscape (TWL) on their contract for construction of Parks A and B.

After discussion, the board agreed to include demolition of the existing subdivision monument at the northwest corner of Cutten and Champions Centre Drive in the contract for construction of Park C.

Upon motion duly made, seconded and unanimously carried, the board approved all consultant reports not already approved by separate motion, and payment of all bills presented.

SECURITY REPORT

Security Coordinator Polly Looper and HCCO Sgt. Anthony Sebastian reported as to matters regarding security within the District and responded to questions. After the report was concluded, Sgt. Sebastian excused himself from the meeting.

KLEINWOOD JOINT POWERS REPORT

Mark W. Brooks of Young & Brooks, the attorneys for the District, reported as to matters pending before the Kleinwood Joint Powers Board (the "JPB"). The Reclaimed Water WWTP Facility Improvements project (Contract A), is under warranty through September 28, 2023. The replacement filter cloths are scheduled for delivery later this month. The contractor for the Reclaimed Water Line project (Contract B) has completed the site restoration punch list item from the one year warranty inspection, and Contract B is closed out.

The engineer for the plant expects to present bids for the Electrical Modifications Phase 3 project at the November board meeting. The District's share of estimated costs for the project totals \$12,227 for the current fiscal year, and \$81,510 for fiscal year 2025.

There being no further business to come before the board, the meeting was adjourned.

Secretary

Attachments - Resolution to Adopt the Hart Intercivic Verity Voting 2.5 Voting System
Bookkeeper's Report