

MINUTES OF MEETING OF  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 70,  
OF HARRIS COUNTY, TEXAS  
February 22, 2024

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 February 22, 2024, 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 Garcia and Knight, thus constituting a quorum. Director Knight entered later in the meeting, as noted herein.

Also present at the meeting were: Barry Hards of Texas Groundworks Management, Inc. ("TGM"); Debbie Shelton of Masterson Advisors LLC ("Masterson"); Rachel Broom of Cobb Fendley & Associates, Inc. ("CobbFendley"); Sam Cocke of Double Oak Erosion ("DOE"); Dennis Eby, District Engineer for Harris County Municipal Utility District No. 144 ("No. 144"); Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MA&C"); Lonnie Wright and Ryan Vaughn of Municipal Operations & Consulting, Inc. ("MOC"); Brenda McLaughlin of Bob Leared Interests ("BLI"); 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 portion of the minutes of the District's January 25, 2024, Board meeting were considered. No comments were offered regarding same.

ENGINEERING REPORT

Ms. Broom presented and reviewed a written Engineering Report for the Joint Sewage Treatment Plant Committee Meeting, a copy of which report is attached hereto as **Exhibit A**, and noted that there was nothing new to report at this time.

## OPERATIONS REPORT

Mr. Vaughn presented and reviewed the Wastewater Treatment Plant ("WWTP") Operations Report for the month of January 2024, a copy of which report is attached hereto as **Exhibit B**, and discussed same with the Board.

In response to an inquiry by Mr. Eby, Mr. Vaughn reported that the recent biomonitoring results were within the permitted limits.

Director Knight entered the meeting at this time.

## BOOKKEEPER'S REPORT

Mr. Hawthorne presented to and reviewed with the Board the Joint Sewage Treatment Plant ("JSTP") Bookkeeper's Report for February 22, 2024, a copy of which report is attached hereto as **Exhibit C**, including the disbursements presented for payment. After discussion, it was moved by Director Peters that the JSTP 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.

## REVIEW OF RENEWAL PROPOSAL FOR DISTRICT INSURANCE COVERAGES

The Board considered renewal of the District's insurance policies. In connection therewith, Mr. Creed reminded the Board and committee members that a renewal insurance proposal had been presented last month from the District's current insurance provider, McDonald & Wessendorff ("McDonald"), relative to the District's insurance policies and bonds, currently scheduled to expire on March 31, 2024. Mr. Creed next reported on the status of obtaining a quote for cyber liability coverage, and noted that the application process to obtain a quote is extensive. After discussion on the matter, Director Peters moved that: (i) McDonald's proposal, a copy of which is attached hereto as **Exhibit D**, be accepted, as presented, noting that all optional coverages be declined (ii) the President be authorized to execute same on behalf of the Board and the District; (iii) the District accept the Texas Ethics Commission Form 1295 (the "TEC Form 1295") relative to the insurance proposal; and (iv) SPH be authorized to acknowledge receipt of the TEC Form 1295. Director Lange 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.

Mr. 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

Mr. Hard introduced himself to the Board and then discussed the services offered by TGM. He then responded to questions from the Board. Company materials were left with the Board for review. After discussion, there was no action required by the Board.

### MINUTES

The Board considered approving the minutes of the District's January 25, 2024, Board meeting. After discussion, Director Peters moved that the January 25, 2024, Board meeting minutes be approved as written. Director Lange seconded said motion, which unanimously carried.

### REVIEW CONTINUING DISCLOSURE REPORT AND AUTHORIZE CONTINUING DISCLOSURE COUNSEL TO FILE THE REPORT WITH THE APPROPRIATE REPOSITORIES

Mr. Creed presented for the Board's review an Annual Financial and Operating Report pursuant to SEC Rule 15c2-12 relative to the District's outstanding bonds. In connection therewith, Mr. Creed presented correspondence from Ms. Niki Hill of McCall Parkhurst & Horton ("McCall"), the District's disclosure counsel, evidencing McCall's intentions to file the Annual Report with the appropriate agencies. A copy of the Annual Report is attached hereto as **Exhibit E**. After discussion on the matter, Director Peters moved that McCall be authorized to file the report with the appropriate repositories. Director Lange seconded said motion, which unanimously carried.

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

Mr. Creed presented the HCSO Security Activity Report for February 2024, a copy of which report is attached hereto as **Exhibit F**, and discussed same with the Board.

### BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated February 22, 2024, a copy of which report is attached hereto as **Exhibit G**, 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 seconded said motion, which unanimously carried.

Mr. Hawthorne next presented to and reviewed with the Board a Quarterly Investment Inventory Report, which had been prepared by MA&C for the reporting period ending December

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.

#### TAX ASSESSOR/COLLECTOR'S REPORT

Ms. McLaughlin presented and reviewed the Tax Assessor/Collector's Report for January 31, 2024, including the disbursements presented for payment as listed therein, a copy of which report is attached hereto as **Exhibit H**. 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.

#### DEVELOPED DISTRICT STATUS FOR 2024 TAX YEAR

Mr. Creed reminded the Board of the procedures applicable to the adoption of the District's tax rate will depend, in part, upon whether the District is determined to be a "Developed District" under Texas Water Code Section 49.23602. Mr. Creed then reviewed with the Board a worksheet completed by CobbFendley to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2024 Tax Year. A copy of the Resolution is attached hereto as **Exhibit I**. Following discussion, upon motion made by Director Sanches, seconded by Director Peters, and unanimously carried, the attached Resolution was adopted by the Board memorializing that the District shall be considered a Developed District for all purposes.

#### 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 January.

#### OPERATIONS REPORT

Mr. Vaughn presented and reviewed the Operations Report for the month of January, 2024, a copy of which report is attached hereto as **Exhibit J**, and discussed same with the Board.

Mr. Vaughn next presented to and reviewed with the Board the list of delinquent accounts for the prior month. He requested authorization to transfer four (4) accounts to the uncollectable roll in the amount of \$902.84, since all collection efforts to date had been unsuccessful. After discussion on the matter, Director Sanches moved that MOC be authorized to move the four (4) delinquent accounts to the uncollectible roll in the amount of \$902.84, 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 then reported that MOC made contact with the Precinct 4 Commissioner's Office regarding their inspection of the District's storm drains. He noted that one priority repair was identified during the inspection. Mr. Vaughn noted that the District's three (3) previously discussed sanitary sewer manholes had been repaired by MOC and that the remaining manholes will be addressed during routine maintenance on a going forward basis.

#### REVIEW OF WATER CONSERVATION PLAN AND DROUGHT CONTINGENCY PLAN

Mr. Creed discussed with the Board the requirements of Title 30, Section 288.30 of the Texas Administrative Code for retail public water suppliers such as the District to review and, if appropriate, revise their Water Conservation Plan (the "WCP") and Drought Contingency Plan (the "DCP") not later than May 1, 2024, and every five years thereafter. He then requested that the Board consider authorizing MOC and CobbFendley to review the District's WCP and DCP for any required updates. Following discussion, Director Sanches moved that MOC and CobbFendley be authorized to review the District's WCP and DCP for any required updates. Director Lange seconded the motion, which unanimously carried.

#### 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 K**.

Ms. Broom next reported that the developer of the tract located at 18410 and 18420 FM 529 is moving forward with the construction of a second building on the site.

Ms. Broom then discussed the status of Bond Application Report No. 13 and noted that the report will soon be ready for filing. After discussion, Director Sanches moved to adopt an Order Authorizing Application to the Texas Commission on Environmental Quality in an amount not to exceed \$7,700,000, and authorize the President and Secretary to execute same on behalf of the Board and the District. Director Peters seconded said motion, which unanimously carried.

#### DRAINAGE FACILITY MAINTENANCE REPORT

Mr. Cocke presented to and reviewed with the Board a Maintenance Report prepared by DOE dated February 22, 2024, a copy of which report is attached hereto as **Exhibit L**.

Mr. Cocke next discussed potential signage and fencing with the Board, in order to prevent motor vehicles damaging the grass within the drainage facilities as noted in his report. After discussion, Director Lange said he would discuss the matter with the Homeowner's Association at its meeting.

Mr. Cocke then presented to and reviewed with the Board a proposal from DOE in the amount of \$9,387.50 for detention pond desilting, which is included in **Exhibit L**. After discussion, Director Sanches moved to approve the DOE proposal as presented. Director Lange seconded said motion, which unanimously carried.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board considered the review of an annual survey of prevailing wage rates for construction projects and the adoption of a Resolution in connection therewith. In that regard, Mr. Creed reported that SPH is recommending that the District adopt the wage rate scales as determined by the United States Department of Labor ("DOL"), in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a *et seq.*). After discussion on the matter, Director Peters moved that the DOL wage rate scales be adopted as the District's prevailing wage rate scale for construction projects, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which Resolution is attached hereto as **Exhibit M**, be adopted by the Board. Director Lange seconded said motion, which unanimously carried.

UTILITY COMMITMENTS

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

STATUS REPORT FROM GFL ENVIRONMENTAL REGARDING GARBAGE COLLECTION SERVICE

Mr. Creed reported that he had not received any information from GFL regarding service complaints in the last month.

DISTRICT WEBSITE

The Board deferred consideration of an OffCinco Website Report. The next report is scheduled for March 2024.

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 noted that he had no additional information to report on this matter at this time.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In connection therewith, Mr. Creed advised that he had nothing further to report that had not previously been addressed under other agenda items.

Director Knight informed the Board that she will be taking a brief maternity leave beginning next month and will not be attending meetings during that period.


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



  
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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     McDonald & Wessendorff 2024-2025 Insurance Proposal
- Exhibit E     Annual Financial and Operating Report pursuant to SEC Rule 15c2-12
- Exhibit F     Security Activity Report and Cost Sharing Breakdown
- Exhibit G     Bookkeeper's Report
- Exhibit H     Tax Assessor/Collector's Report
- Exhibit I     Resolution Concerning Developed District Status for the 2024 Tax Year
- Exhibit J     Operations Report
- Exhibit K     Engineering Report
- Exhibit L     Double Oak Erosion Maintenance and Inspection Reports
- Exhibit M     Resolution Adopting Prevailing Wage Rate Scale for Construction Projects