

MINUTES  
MAYDE CREEK MUNICIPAL UTILITY DISTRICT

March 23, 2020

The Board of Directors (the "Board") of Mayde Creek Municipal Utility District (the "District") met in regular session by teleconference, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 23rd day of March, 2020, and the roll was called of the members of the Board being present by telephone:

Willie Jo Reynolds	President
Jorge Diaz	Vice President
Betty Mancia Alvarenga	Secretary
Cyrus Dumas	Director
Jessica Graham	Director

and all of the above were present, thus constituting a quorum.

Also attending the teleconference were Kristen Scott of Bob Leared Interests; Teague Harris of IDS Engineering Group ("IDS"); Bart Downum of Environmental Development Partners, LLC ("EDP"); Claudia Redden of Claudia Redden & Associates; Michael Murr of Murr Incorporated; Tonie Pettit, building manager; and Angie Lutz and Arlene Catalan of Allen Boone Humphries Robinson, LLP ("ABHR").

Ms. Lutz reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at [www.districtdirectory.org/agendapackets/maydecreekmud](http://www.districtdirectory.org/agendapackets/maydecreekmud).

DECLARE EMERGENCY

Ms. Lutz reported on Governor Abbott's disaster declaration dated March 13, 2020, authorizing political subdivisions of the State of Texas to use all available resources to facilitate and expedite the use and deployment of District resources to enhance preparedness and response to the novel coronavirus (COVID-19). She stated in response to the Governor's declaration, an emergency may be declared within the District for the duration of this declared disaster and for the limited purposes authorized by Governor Abbott.

CONSIDER OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC; MEMORANDUM REGARDING DELEGATION OF AUTHORITY DUE TO AN EMERGENCY

The Board discussed the necessity of continuing District operations and services during the state of disaster and the likely inability of a majority of the Board to convene and sign checks to pay District expenses relating to District services and District contracts during the declared disaster. Ms. Lutz reviewed the Memorandum and a Resolution Regarding Delegation of Authority Due to an Emergency (the "Resolution"). A copy of the Memorandum is attached. She noted the Resolution reflects delegations of authority to take certain actions on behalf of the Board or District, including delegation to the bookkeeper to sign approved, authorized checks on behalf of the District in accordance with Section 49.151 of the Texas Water Code.

Ms. Lutz also updated the Board regarding the "stay home" order issued by Harris County in response to (COVID-19) (the "County Order"). She reported that the County Order deems services provided by local governments needed to ensure their continuing operation to provide for the health, safety and welfare of the public, as an Essential Government Function. The Board considered authorizing ABHR or any other consultant of the District to issue essential business travel letters to employees of any service or construction contractors doing work in and for the District.

Following review and discussion, Director Diaz moved to (1) declare an emergency within the District for the duration of this declared emergency/disaster and for the limited purposes authorized by the Governor as a result of the novel coronavirus (COVID-19); (2) adopt the Resolution and direct it be filed appropriately and retained in the District's official records; and (3) authorize ABHR or any other consultants of the District to issue essential business travel letters to employees of any service or construction contractors doing work in the District. The motion was seconded by Director Alvarenga seconded the motion the motion passed unanimously.

PUBLIC COMMENTS

Director Reynolds offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Reynolds moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the February 24, 2020, meeting. After review and discussion, Director Diaz moved to approve the minutes of the February 24, 2020, meeting. Director Alvarenga seconded the motion, which passed unanimously.

## GARBAGE SERVICES

There was no report on this matter.

## SECURITY REPORT

There was no report on this matter.

## SECURITY AGREEMENTS, INCLUDING ADVANTAGE SECURITY INTEGRATION SERVICE AGREEMENT FOR CAMERAS AND ALARM SYSTEM

There was no report on this matter.

## REPORT ON LANDSCAPE MAINTENANCE

There was no report on this matter.

Director Dumas joined the meeting.

## PARK AND TRAIL REPORT, INCLUDING PARK AND BUILDING MAINTENANCE; EXERCISE EQUIPMENT; AND SPORTS EQUIPMENT

Mr. Murr presented and reviewed the Park Maintenance Report, a copy of which is attached.

Mr. Murr gave an update on the District's building repairs due to the damage sustained by a broken hot water tank. He said repairs were completed on time to host a wedding that was scheduled. Mr. Murr stated that he is working on collecting invoices from Talley Construction Co., LTD. ("Talley Construction") for submittal to the District's insurance company. He noted the building passed the mold test and is scheduled for a second mold test after all the work is completed.

Mr. Murr stated Talley Construction is finishing the additional paint work that was previously approved by the Board at a cost of \$4,600.00. He added that the flooring in the Board room required heavy preparation at a cost of \$3,600.00. Discussion ensued regarding the flooring in the building.

Mr. Murr reported that he has requested a quote from the Talley Construction to relight the building. Specifically, the ballroom, the Board room, both kitchens, the foyer, the hallway, and the storage room. He said once received he will circulate the quote to for Board review. Discussion ensued.

Ms. Lutz recommended ratification of all work completed related to the repair of the building due to water damage between March 23, 2020, to date. After review and discussion, Director Diaz moved to ratify of all the work to date. Director Alvarenga seconded the motion, which passed unanimously.

Mr. Murr gave an update on the one hundred, 15-gallon trees donated by Trees for Houston and said they have been planted around the park.

Mr. Murr gave an update on the exercise equipment for the District's park. He stated that he was not able to obtain the lower price of around \$35,000 for the exercise equipment and the installation of the exercise equipment as anticipated. Discussion ensued. The Board concurred to hold off on ordering and installing of the exercise equipment due to COVID-19.

After review and discussion, Director Dumas moved to approve the Park and Trail Report. Director Alvarenga seconded the motion, which passed by unanimous vote.

#### TAX ASSESSMENT AND COLLECTION

Ms. Scott reviewed the tax assessor/collector's report, including a list of bills submitted for payment and list of delinquent taxpayers, a copy of which is attached. After review and discussion, Director Diaz moved to approve the tax assessor collector's report and authorize payment of the bills submitted. Director Dumas seconded the motion, which passed unanimously.

Ms. Scott stated that she would be circulating checks for signature via Director Graham.

#### DELINQUENT TAX MATTERS

The Board reviewed a Delinquent Tax Report, a copy of which is attached, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

#### ENGAGE DELINQUENT TAX ATTORNEY

Ms. Lutz reviewed stated the District engages Perdue, Brandon, Fielder, Collins & Mott, L.L.P. for the collection of delinquent taxes within the District. After discussion, Director Alvarenga moved to engage the delinquent tax attorney. This motion was seconded by Director Dumas and carried by unanimous vote.

#### REGIONAL WASTEWATER TREATMENT PLANT ("WWTP") FINANCIAL AND BOOKKEEPING

The Board reviewed the regional WWTP bookkeeper's report, a copy of which is attached regional WWTP bookkeeper's report, and the bills submitted for payment. After review and discussion, Director Dumas moved to accept the regional WWTP bookkeeper's report and the bills submitted for payment. Director Diaz seconded the motion, which passed by unanimous vote.

Ms. Lutz reported a 10% administration fee was applied to the invoices sent to Clay Road Municipal Utility District's ("Clayroad") and Ricewood Municipal Utility

District's ("Ricewood") as of when the contract was executed. She said that both Clayroad and Ricewood want the 10% administration fee to be reallocated as of September 2019. After review and discussion, Director Dumas moved to reallocate the 10% administration fees as of September 2019. Director Diaz seconded the motion, which passed by unanimous vote.

#### FINANCIAL AND BOOKKEEPING

Ms. Redden presented and reviewed the bookkeeper's report, a copy of which is attached, and the bills submitted for payment. After review and discussion, Director Dumas moved to accept the bookkeeper's report, and the bills submitted for payment. Director Alvarenga seconded the motion, which passed by unanimous vote.

#### OPERATION OF DISTRICT FACILITIES

Mr. Downum presented and reviewed the Operator's Report, a copy of which is attached, including system repairs and maintenance. He reported on pending and completed repairs and improvements to the District's water and sanitary sewer systems.

Mr. Downum reviewed a letter from the Harris County Judge requesting municipal utility districts to consider waiving late penalties, in addition to suspending service terminations until May 1, 2020. Discussion ensued.

After review and discussion, Director Dumas moved to approve the operator's report. Director Diaz seconded the motion, which passed by unanimous vote.

#### HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

The Board reviewed the list of delinquent accounts. Mr. Downum informed the Board that the residents on the termination list were delinquent in payment of their utility 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 bill and show reason why utility services should not be terminated for reason of nonpayment. The Board conducted a hearing regarding water and sewer service termination. After review and discussion, Director Dumas moved to suspend termination of delinquent accounts and waive late penalties until May 1, 2020, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Diaz seconded the motion, which passed by unanimous vote.

#### CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

The Board conducted the annual review of the District's Drought Contingency Plan and concurred to make no changes.

APPROVE ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN AND AUTHORIZE SUBMITTAL TO THE TEXAS WATER DEVELOPMENT BOARD

Mr. Downum discussed the annual report on implementation of the District's Water Conservation Plan with the Board. He added that EDP will file the report with the Texas Water Development Board and send a copy to ABHR so it can be filed appropriately and retained in the District's official records.

ENGINEERING MATTERS

Mr. Harris reviewed the engineering report, a copy of which is attached.

WASTEWATER TREATMENT PLANT ("WWTP") LIFT STATION CONVERSION TO SUBMERSIBLE PUMPS

Mr. Harris reported on the regional WWTP onsite lift station rehabilitation and conversion to submersible pumps project. He stated the contractor has installed a concrete encased electrical duct bank from the WWTP motor control center to the lift station.

REGIONAL WASTEWATER TREATMENT PLANT REHABILITATION

Mr. Harris reviewed and recommended approval of Change Order No. 1 to the contract with JTR Constructors, Inc. for Regional WWTP rehabilitation to increase the contract in the amount of \$46,724.00. He added that the Regional WWTP Committee was presented the Change Order No. 1 and agreed Change Order No. 1 was beneficial. The Board determined that Change Order No. 1 is beneficial to the District.

Mr. Harris updated the Board regarding construction of the Regional WWTP rehabilitation project including the new sulfur dioxide building and reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$44,574.50, payable to JTR Constructors.

Mr. Harris reported on the Regional WWTP Advisory Committee (the "Committee"). He reported the Committee reviewed and agreed upon the fixed and variable operations and maintenance budget items. He reviewed a budget table reflecting the Committee's decision, a copy of which is attached to the engineer's report. Mr. Harris stated that fixed expenses will be split based on each of the District's ownership percentage.

SITE DEVELOPMENT REQUESTS AND UTILITY COMMITMENT LETTERS

Mr. Harris gave an update on the construction of the sanitary sewer extension for the Louisiana Chicken restaurant at the Petroleum Wholesale Gas Station on 3716 Greenhouse Road. He said IDS has reviewed the site

development plans and established the plans are incomplete. Mr. Harris stated that IDS is working with the Petroleum Wholesale Gas Station on the matter.

#### DEEDS AND EASEMENTS

There were no deeds or easements presented to the Board.

#### ASSET MANAGEMENT PLAN

There was no discussion on this matter.

After review and discussion, Director Dumas moved to: (1) approve Change Order No. 1 in the amount of \$46,724.00 as an increase to the contract with JTR Constructors, Inc., based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; (2) approve Pay Estimate No. 2 in the amount of \$44,574.50; and (3) approve the engineer's report. Director Graham seconded the motion, which passed by unanimous vote.

#### BUILDING MANAGER'S REPORT AND BUILDING MATTERS

Ms. Pettit distributed the Building Manager's Report, a copy of which is attached, and reported on building matters, scheduled events, and marketing efforts.

Ms. Pettit reported Advantage Security Integration came out to the building and inspected whether the cameras had been compromised by the water damage sustained by the broken hot water tank. She stated some of the cameras were adjusted and one was replaced at cost of \$196.00.

Ms. Pettit reported AT&T fixed wiring in the building.

Ms. Pettit said she has been working with clients on rescheduling or canceling events without any penalties due to COVID-19. She stated that so far two clients cancelled their bookings and another two had rescheduled. Discussion ensued regarding the District's building event bookings. Ms. Pettit said she has stopped giving tours of the building.

Ms. Pettit requested the Board's approval to renew the contract with The Knot at a cost of \$4,272.00 for 12-months. She explained that this the only paid advertising and a main source of clients. She added that The Knot has recently partnered with Wedding Pro which would expand visibility.

Ms. Pettit requested the Board's authorization for three new cameras for the building at a cost of \$196.00 per camera. Discussion ensued.

After discussion, Director Dumas moved to (1) accept the Building Manager's Report; (2) approve to renew the contract with The Knot at a cost of \$4,272.00; and (3)

authorize three new cameras at a cost of \$196.00 per camera. Director Graham seconded the motion, which passed by unanimous vote.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA")

There was no report on this agenda item.

REPORTS FROM DIRECTORS

There were no reports from Directors.

CYBER TRAINING REQUIREMENTS

Ms. Lutz presented and reviewed a memorandum regarding legislation enacted by the Texas Legislature on the annual cybersecurity training requirements for certain local government employees and elected officials, beginning in 2020. She said the Board members must select a training program that is certified by the Texas Department of Information Resources. Ms. Lutz reported that the Association of Water Board Directors expects to provide a certified training program for water districts at its annual conferences beginning in June 2020.

AGENDA ITEMS FOR NEXT BOARD MEETING

Ms. Lutz stated the joint operations meeting with Ricewood, Clay Road, and the District will be held on April 2 2020 via teleconference.

There was no further discussion on items for the next Board meeting to be held on April 27, 2020.

There being no further business to come before the Board, Director Dumas moved to adjourn the meeting. Director Graham seconded the motion, which passed by unanimous vote.



/s/ Betty Mancia Alvarenga  
Secretary, Board of Directors



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