

MINUTES
MAYDE CREEK MUNICIPAL UTILITY DISTRICT

July 26, 2021

The Board of Directors (the "Board") of Mayde Creek Municipal Utility District (the "District") met in regular session by teleconference 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 26th day of July, 2021, and the roll was called of the members of the Board being present by telephone:

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|------------------------|----------------|
| Willie Jo Reynolds | President |
| Jorge Diaz | Vice President |
| Betty Mancía Alvarenga | Secretary |
| Cyrus Dumas | Director |
| Jessica Graham | Director |

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

Also attending all or part of the teleconference were Deputy Jimmy Satterfield of the Harris County Sheriff's office; Kristen Scott of Bob Leared Interests; Michael Murr of Murr Incorporated; Claudia Redden of Claudia Redden & Associates; Bart Downum of Environmental Development Partners, LLC; Teague Harris and Kelli Wilkinson of IDS Engineering Group ("IDS"); 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.

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 June 28, 2021, regular meeting. After review and discussion, Director Graham moved to approve the minutes of the June 28, 2021, regular meeting. Director Reynolds seconded the motion, which passed unanimously.

SECURITY REPORT

Deputy Satterfield presented and reviewed the security report, a copy of which is attached. After discussion, Director Dumas moved to accept the security report. Director Alvarenga seconded the motion, which passed unanimously.

SECURITY AGREEMENTS, INCLUDING CAMERAS AND ALARM SYSTEM

Director Graham reviewed and recommended a proposal from iTech Monitoring ("iTech") for video surveillance of the District, a copy of which is attached. Director Graham stated that the total cost of material and labor is \$102,500.00, with the additional cost of \$598.00 per month for the service plan and monitoring. Discussion ensued.

The Board then discussed the current contract with Advantage Security Integration ("ASI") for video surveillance.

After review and discussion, Director Dumas motion to: (1) terminate the contract with ASI; and (2) approve the proposal and related Service Agreement with iTech for video surveillance. Director Alvarenga seconded the motion, which passed unanimously.

REPORT ON LANDSCAPE MAINTENANCE

There was no report on this agenda item.

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

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

Mr. Murr reported that he is working with Mr. Manning in preparing a proposal for the Board's consideration for the replacement of four 45-gallon trees in front of the District's Building.

Mr. Murr reported that graffiti was reported at the south end of the connector trail and that it has been painted over.

The Board discussed the options previously presented for the District's new trail signs. Director Graham stated that she reviewed the provided signage material samples from I-Zone and Cypress Signs and that the I-Zone sample is a better quality. Mr. Murr reviewed and recommended approval of the proposal from I-Zone in the amount of \$9,100.00, which includes a 10-year warranty. He noted that there is an additional cost

of \$195.00 per sign, for installation. Discussion ensued regarding whether all 21 trail signs need to be replaced.

Director Dumas reported that a District resident inquired about the replacement of the exercise equipment at the District's parks. He requested proposals for new exercise equipment.

After review and discussion, Director Graham moved to: (1) accept the landscape maintenance report; and (2) approve the proposal from I-Zone for new trail signs in the amount of \$9,100.00, including the cost of \$195.00 installation cost per sign, subject to Director Graham's final authorization. Director Dumas seconded the motion, which passed unanimously.

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 Reynolds moved to approve the tax assessor collector's report and authorize payment of the bills submitted. Director Alvarenga seconded the motion, which passed unanimously.

DELINQUENT TAX MATTERS

There was no discussion on this matter.

DISCUSS WATER CODE TAX PROVISIONS AND 2021 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2021 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

There was no discussion on this matter.

REGIONAL WASTEWATER TREATMENT PLANT ("WWTP") FINANCIAL AND BOOKKEEPING MATTERS, AND PAYMENT OF THE BILLS AND REVIEW OF INVESTMENTS

The Board reviewed the regional WWTP bookkeeper's report, a copy of which is attached, and the bills submitted for payment. The Board then reviewed the proposed budget for the fiscal year end August 31, 2022, regional WWTP account, a copy of which is attached in the regional WWTP bookkeeper's report.

After review and discussion, Director Graham moved to accept the regional WWTP bookkeeper's report, and the checks presented for payment. Director Alvarenga seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING

Ms. Redden presented and reviewed the bookkeeper's report, a copy of which is attached, and the bills submitted for payment. Additionally, she reviewed the proposed budgets for the fiscal year end August 31, 2022 operating account, a copy of which is attached.

She requested the Board approve additional check no. 1607 in the amount of \$25.00 to Texas Network for the District's website domain name.

After review and discussion, Director Dumas moved to approve: (1) the bookkeeper's report, and the checks presented for payment; and (2) additional check no. 1607 as discussed. Director Graham seconded the motion, which passed unanimously.

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 reported that the annual fire hydrant inspection and District flush is scheduled for August 2, 2021, through August 6, 2021. He said residents have been notified.

Mr. Downum presented and recommended turning four delinquent accounts totaling \$549.49, to the District's collection agency for collection.

Mr. Downum reported that the Texas Commission on Environmental Quality ("TCEQ") performed an investigation of the District's WWTP to evaluate compliance and found no deficiencies.

After review and discussion, Director Graham moved to: (1) approve the operator's report; and (2) authorize the operator to turn the four recommended delinquent accounts over for collections. Director Dumas seconded the motion, which passed unanimously.

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. Following review and discussion, Director Graham moved that, because the customers on the list were not present at the meeting, nor had presented any written statement on the matter, all utility services should be terminated, if their utility bills are not paid in accordance with the District's Amended Rate Order. The motion was seconded by Director Dumas, which passed unanimously.

ENGINEERING MATTERS

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

REGIONAL WASTEWATER TREATMENT PLANT REHABILITATION

Mr. Harris updated the Board regarding the construction of the Regional WWTP rehabilitation project, including the new sulfur dioxide building and stated that the project is approximately 91% complete. He noted the recent inclement weather has delayed construction.

Mr. Harris gave an update on the Regional WWTP Advisory Committee (the "Committee") meeting held on July 1, 2020. He said that the Committee has scheduled a site visit of the Regional WWTP rehabilitation project for Saturday, July 31, 2021.

Mr. Harris reported on the renewal application of the District's Wastewater Discharge Permit (the "Application") with the TCEQ. He requested Board's authorization for IDS to prepare the Application at a cost of \$15,000.00. Additionally, he stated that due to the number of required newspaper advertisements, there may be additional reimbursable expenses at a cost of \$15,000.00.

Mr. Harris gave an update on the progress of the Harris County Flood Control District regarding the Mayde Creek channel maintenance and improvement project.

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.

Mr. Harris gave an update on the 2.03 acre F&B Properties, LLC tract located at Brannan Drive and Clay Road. He stated that a multifamily project is being proposed for development. Mr. Harris said that the project's engineer has confirmed that the multifamily project will not be tax exempt or provide

subsidized rent. He requested that the Board approve a Water and Sewer Utility Commitment Letter with Newcastle Investment Group, subject to finalization.

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 the engineer's report; (2) authorize IDS to prepare the Application at a cost of \$15,000.00; and (3) approve a Water and Sewer Utility Commitment Letter with Newcastle Investment Group, subject to finalization. Director Alvarenga seconded the motion, which passed unanimously.

BUILDING MANAGER'S REPORT AND BUILDING MATTERS

Ms. Pettit discussed the Building Manager's Report, a copy of which is attached.

Mr. Pettit reported that there was a drain back up in the District Building, which was repaired today.

Ms. Pettit stated that the sign located at the District's Building has panels of lights that are not working. She reviewed a proposal from AdCorp Sign Systems for the repair in the amount of \$3,050.00 for parts and one hour of labor and she noted that for every additional hour there is a cost of \$150.00 per hour. Ms. Pettit reported she is looking into alternative options.

After discussion, Director Dumas moved to accept the Building Manager's Report. Director Alvarenga seconded the motion, which passed unanimously.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

Ms. Lutz reviewed an Interlocal Agreement with the Harris-Galveston Subsidence District for the District's sponsorship of certain students attending Mayde Creek Elementary and Polly McRoberts Elementary schools in the Learning to be Water Wise Program for the 2021-2022 school year in the amount of \$38.00 per student. After review and discussion, Director Dumas moved to approve the Interlocal Agreement and direct that the Agreement be filed appropriately and maintained in the District's files. Director Alvarenga seconded the motion, which passed by unanimous vote.

REPORTS FROM DIRECTORS

There was no discussion on this matter.

GARBAGE SERVICES

There was no discussion on this matter.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Lutz reviewed the 2021 ABHR Capitol Report and updated the Board regarding legislative matters.

AGENDA ITEMS FOR NEXT BOARD MEETING

Ms. Lutz stated the joint operations meeting with Ricewood Municipal Utility District, Clay Road Municipal Utility District, and the District will be held on August 5, 2021, via teleconference.

She said that an agenda has been posted for the Saturday, July 31, 2021 WWTP site tour in anticipation of Board interest to attend.

Ms. Lutz said that the next Board meeting is scheduled to be held on August 23, 2021 via teleconference.

There being no further business to come before the Board, Director Dumas moved to adjourn the meeting. Director Alvarenga seconded the motion, which passed unanimously.

(SEAL)



/s/ Betty Mancia Alvarenga/ AEC
Secretary, Board of Directors

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