

## GREENWOOD UTILITY DISTRICT

### MINUTES OF MEETING OF BOARD OF DIRECTORS

APRIL 18, 2018

The Board of Directors (the "Board" or "Directors") of Greenwood Utility District (the "District") met in regular session, at 6:30 p.m., at 11702A Tidwell Road, Houston, Texas 77044, on Wednesday, April 18, 2018, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Billy O'Neill	President
Gary Flight	Vice President
John Wisener	Secretary
Robert L. Primeaux	Assistant Secretary
David Alamia	Director

All members of the Board were present. Also attending were Mary Ann Mihills of FSG Information Systems ("Bookkeeper" or "FSG"); Katherine Turner of Municipal Accounts & Consulting L.P. ("MAC"); Esther Shaver of Assessments of the Southwest ("Tax Assessor/Collector"); James R. Ainsworth and Ronald D. Anderson II of A&S Engineers, Inc. ("Engineer" or "A&S"); Johnny Bellamy of Municipal District Services ("Operator" or "MDS"); Bill Blich of Blich Associates, Inc. ("Financial Advisor"); Mark Janik of Gromax Development; Ross J. Radcliffe, attorney, and Diane F. Brewer, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and all persons on the attached Attendance Roster.

The President, after finding that the notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

#### **PUBLIC COMMENT**

The President opened the meeting to public comment. As no comments were offered, the President directed the Board to proceed with the agenda.

#### **MINUTES**

The Board then considered approval of the minutes of the regular meeting of March 21, 2018. Upon a **motion** by Director Wisener, seconded by Director Alamia, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting of March 21, 2018, as presented.

#### **AUDITOR'S REPORT**

Mr. Radcliffe stated that the audit is not yet complete and will be presented at the May Board meeting.

## PATROL SERVICE REPORT

Deputy Ganey presented and reviewed with the Board the Patrol Service Report for March 2018, a copy of which is attached hereto as Exhibit "A."

Deputy Ganey discussed criminal activity at the apartment complex. Deputy Ganey next reported that traffic stops have resulted in eight (8) arrests and the daytime officer has also made arrests.

At this time, Deputy Ganey exited the meeting.

## BOOKKEEPER'S REPORT AND INVESTMENT REPORT

The Bookkeeper's Report and Investment Report, copies of which are attached hereto collectively as Exhibit "B," were next presented by Ms. Mihills. After a review of current fund balances, expenditures and investments, Ms. Mihills reviewed current year-to-date revenues and expenditures against the budget.

- a. Ms. Mihills first presented and reviewed an Agreement for Bookkeeping Services with MAC, a copy of which is attached hereto as Exhibit "C." Ms. Mihills noted flat fees for bond issues, bond anticipation notes and refundings.
- b. Ms. Mihills explained that Ms. Turner will be the District's Bookkeeper and Ms. Mihills will be the meeting representative.
- c. Ms. Mihills next discussed the appointment of a new investment officer to replace Lisa Rickert. Ms. Mihills also discussed investment officer training and indicated that Ms. Turner can serve as the District's investment officer at a fee of \$50 per month. Director Alamia stated that he would be interested in attending the half-day investment officer training at McCall Gibson Swedlund Barfoot PLLC in October.

Upon a **motion** by Director Primeaux, seconded by Director Wisener, after full discussion and with all Directors present voting aye, the Board: 1) terminated the Agreement for Bookkeeping Services with FSG; 2) approved the Agreement for Bookkeeping Services with MAC; and 3) appointed Katherine Turner as the District's Investment Officer.

- d. Ms. Mihills then discussed checks for Tidwell Lakes Wastewater Treatment Plant ("TLWWTP") totaling \$168,000 that need to be voided because they are stale checks. Ms. Mihills stated that she will not prepare more checks for lease payments until the TLWWTP is inspected and approved.
- e. Ms. Mihills reported that the District has 10.03 months' operating reserve.
- f. Ms. Mihills reviewed the budget comparison. Ms. Mihills reported that the budget for the general operating fund for fiscal year ending December 31, 2018, needs to be amended to add \$5,000 for legal notices and TLWWTP lease payments. Mr. Radcliffe presented the Order Adopting Amended General

Operating Budget for the Fiscal Year Ending December 31, 2018, a copy of which is attached hereto as Exhibit "D."

- g. Mr. Ainsworth stated that he is looking at the remaining lots in Hidden Meadow and taps fees for such lots.
- h. At this time, Ms. Mihills presented signature cards for the District's bank accounts for the Board's execution.

Upon a **motion** by Director Flight, seconded by Director Primeaux, after full discussion and with all Directors present voting aye, the Board approved the Bookkeeper's Report and Investment Report, as presented, and acted on the following:

- a. authorized payment of checks numbered 7092 through 7140 from the General Fund;
- b. authorized payment of checks numbered 1006 through 1008 from the Capital Projects Fund;
- c. authorized payment of checks numbered 2029 through 2040 from the Regional Sewage Treatment Plant Fund;
- d. authorized payment of checks numbered 4023 through 4027 from the Surface Water Facilities Fund;
- e. approved the Order Adopting Amended Operating Budget for the Fiscal Year Ending December 31, 2018; and
- f. authorized payment of reimbursement from the Series 2017 bonds to Century Land Holdings of Texas, LLC in the amount of \$33,646.65.

#### **TAX ASSESSOR-COLLECTOR'S REPORT**

The Tax Assessor-Collector's Report for March 2018 was next presented by Ms. Shaver, a copy of which is attached hereto as Exhibit "E."

- a. Ms. Shaver reported that 96.08% of the 2017 taxes have been collected as of March 31, 2018.
- b. Ms. Shaver then presented the Delinquent Tax Roll, a copy of which is attached to her report.

Upon a **motion** by Director Primeaux, seconded by Director Alamia, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report, as presented; and authorized payment of checks numbered 1637 through 1648 from the Tax Account.

## **ENGINEER'S REPORT**

The Engineer's Report was next presented by Mr. Anderson, a copy of which is attached hereto collectively as Exhibit "F."

1. **Tidwell Lakes (150 Acres).** Mr. Radcliffe reported that Eli Sasson remains in Israel and Mr. Ainsworth reported that he has communicated with Mr. Sasson via email. Mr. Ainsworth recommended using monies held for TLWWTP lease payments to clean up the TLWWTP site.
2. **Hidden Meadow (180 Acres).**
  - a. Mr. Anderson reported that the developer bid and awarded the contract for Hidden Meadow, Sections 9 and 14 WS&D, and the Engineer requested the District's concurrence with the award of contract to Crosstex Construction, Inc. ("Crosstex"), in the amount of \$545,229.95.
  - b. Mr. Anderson next reported that the Hidden Meadow, Sections 10 and 12, WS&D work by C. E. Barker, Ltd. ("Barker") is ongoing.
  - c. Mr. Anderson then reported that work continues on the set of plans for Hidden Meadow, Section 11.
  - d. Mr. Anderson reported no change during the past period regarding the detention ponds.
  - e. Mr. Anderson reported no change during the past period regarding road acceptance issues. Mr. Anderson indicated that A&S has had recent contact with Harris County (the "County") for street acceptance for Hidden Meadow, Sections 6, 13 and 15, and A&S was advised that the County has made progress with the County's legal department. Mr. Anderson went on report that A&S will proceed with inspections, punch list and construction estimates as required by the County and will present information as requested by the Board.
3. **Bavaria.** Mr. Anderson reported no change during the past period regarding the detention pond.
4. **Evergreen.**
  - a. Mr. Anderson reported that work is ongoing at the Evergreen Villas, Section 2, WS&D.
  - b. Mr. Anderson next reported that work is ongoing at Evergreen Villas, Section 3, and East Little York Road WS&D with Principal Services, Ltd. ("Principal").
5. **Facility and Utility Projects.**
  - a. Water Plant No. 1 ("WP No. 1"). Mr. Anderson reported that the Recoating of Water Plant No. 1 GST No. 1 with CFG Industries, LLC is currently on hold and will proceed once the rehabilitation of GST No. 2 is complete. Mr. Anderson also

reported that construction activities, including subgrade backfill for the Rehabilitation of GST No. 2 project at WP No. 1 is ongoing.

- b. Tidwell Lakes Force Main. Mr. Anderson then reported that A&S is going through the submittal process for County approval, including plan approval and easement acquisition across the Harris County Flood Control District (HCFCD"). Mr. Anderson next reported that A&S advertised the Tidwell Lakes Force Main project and bids will be presented at the May Board meeting.

6. **Out-of-District Service** Mr. Anderson had nothing new to report.

7. **Miscellaneous Engineering Projects and Requests for Service**

- a. Tidwell Road Widening Project. Mr. Anderson reported no change during the past period.
- b. Emergency Preparedness Plan ("EPP"). Mr. Anderson reported that A&S reviewed the EPP and will send the amended pages in the coming weeks.

Ms. Shaver exited the meeting at this time.

## **JOINT FACILITIES REPORT**

The Joint Facilities Report was next presented by Mr. Anderson, a copy of which is attached hereto as Exhibit "G."

1. **Regional Wastewater Treatment Plant ("RWWTP")**

- a. Mr. Ainsworth discussed his concerns related to capacity at the Wastewater Treatment Plant ("WWTP") and meeting with the Parkway Utility District ("Parkway") to review the WWTP expansion project. Mr. Ainsworth stated that it will take 26 to 28 months to design, construct and bring the WWTP online. Mr. Ainsworth next updated the Board regarding the status of Parkway's engagement of an engineer.
- b. Mr. Anderson then reported that the Repair of the Erosion of Wastewater Treatment Plant Outfall with RAC Industries, Inc. ("RAC") Change Order No. 1 work is complete and A&S awaits establishment of vegetation before scheduling an acceptance meeting with HCFCD.
- c. Mr. Anderson next reported that the screen for the WWTP Screen Replacement installation has been ordered.

2. **Surface Water Transmission Facility ("SWTF").** Mr. Anderson reported that it is time to begin discussions regarding the timeline for the SWTF. Mr. Anderson also reported that bond money is available and A&S is ready to move forward with the project. Mr. Radcliffe inquired regarding the payback of capacity and indicated that the agreement needs to be amended to add a couple of months for payback.

Upon a **motion** by Director Alamia, seconded by Director Flight, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report and Joint Facilities Report, as presented, and concurred with awarding the contract to Crosstex for Hidden Meadow, Sections 9 and 14 WS&D, in the amount of \$545,229.95.

Mr. Blich exited the meeting at this time.

### **OPERATOR'S REPORT**

The Operator's Report was next presented by Mr. Bellamy, a copy of which is attached hereto as Exhibit "H."

- a. Mr. Bellamy first reported that the insurance claim for damages as a result of Hurricane Harvey have been closed out and the District should receive payment soon.
- b. Mr. Bellamy reported that the District currently has 2,305 connections.
- c. Mr. Bellamy reported that the District has accounted for 86.6% of the water pumped by billing to the District's customers during the prior month. The Engineer will investigate the reason for the low water accountability and may recommend flushing lines.
- d. Mr. Bellamy reported that the percent of design capacity at the WWTP during the prior month was 82.3% and there were no excursions at the WWTP.
- e. Mr. Bellamy reported that a total of 146 taps have been installed during the prior month and a total of 190 taps have been installed to-date in 2018.
- f. Mr. Bellamy presented the Preventative Maintenance Summary, a copy of which is attached to the Operator's Report.
- g. Mr. Bellamy presented the Write-Off List dated March 27, 2018, a copy of which is attached to his report, and reported four (4) accounts totaling \$563.29.
- h. Mr. Bellamy reported that the Delinquent Letter Accounts Listing Due April 18, 2018, is attached to his report.
- i. Mr. Bellamy presented the 2017 Consumer Confidence Report ("CCR"), a copy of which is attached to the Operator's Report, and requested the Board's approval to distribute same, subject to the Attorney's review and approval.

Upon a **motion** by Director Primeaux, seconded by Director Wisener, after full discussion and with all Directors present voting aye, the Board: 1) approved the Operator's Report, as presented; 2) authorized write-offs and terminations; and 3) approved the distribution of the CCR, subject to the Attorneys' 15-day review and approval.

## ATTORNEY'S REPORT

Next, discussion ensued regarding renewal of the District's membership in the Greens Bayou Coalition ("GBC"). Mr. Radcliffe asked if the Board wants to appoint a Director to attend the East Reach meetings on behalf of the District. The Board then discussed GBC activities.

Upon a **motion** by Director Wisener, seconded by Director Primeaux, after full discussion and with all Directors present voting aye, the Board authorized renewal of the District's membership in the GBC as a Professional Member at a rate of \$1,000.

## MAY 5, 2018 OPERATIONS AND MAINTENANCE ("O&M") TAX ELECTION

Mr. Radcliffe discussed contacting District residents and distributing fliers regarding the election. Mr. Radcliffe next discussed the benefits of an O&M tax.

## MISCELLANEOUS BUSINESS


The Board then discussed scheduling a special meeting with Off Cinco regarding a District website.

Discussion ensued regarding consent agendas.

Mr. Radcliffe discussed distributing Consultant reports to the Board in advance of the regular meetings.

**THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD**, the meeting was adjourned.

**SIGNED, PASSED and APPROVED** this the 16th day of May, 2018.

  
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Secretary, Board of Directors

## EXHIBITS:

- A - Patrol Service Report
- B - Bookkeeper's Report and Investment Report
- C - Agreement for Bookkeeping Services with MAC
- D - Order Adopting Amended General Operating Budget for the FYE December 31, 2018
- E - Tax Assessor-Collector Report
- F - Engineer's Report/Correspondence Items
- G - Joint Facility Report
- H - Operator's Report