

GREENWOOD UTILITY DISTRICT

MINUTES OF MEETING OF BOARD OF DIRECTORS

MAY 15, 2019

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, May 15, 2019, 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:

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

All members of the Board were present. Also attending were Anthony Lasky of Municipal Accounts & Consulting L.P. ("Bookkeeper" or "MAC"); Esther Shaver of Assessments of the Southwest ("Tax Assessor/Collector" or "ASW"); 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" or "Blich"); Rita Coziar of OFS Solid Waste Services, Inc. ("OFS"); Sergeant Terry Ganey of Harris County (the "County") Constable's Office, Precinct No. 3 (the "Constable" or "Precinct 3"); Shane Stuckey of Stuckey's Contract Services ("Stuckey's"); Ross J. Radcliffe, Elliot M. Barner and John Thomas Foster, attorneys, and Diane F. Brewer, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP"); and all persons on the attached Attendance Roster.

The Vice 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.

MAY 4, 2019 DIRECTORS ELECTION

Mr. Barner stated that three (3) Canvassing Authority Officers were present, thus constituting a quorum, and that such meeting is for the purpose of canvassing the returns of the May 4, 2019 Election (the "Election") and declaring such returns to be official. Mr. Barner went on to explain that the biennial Election had been held by the District jointly with the County on the Election, for the purpose of electing two (2) Directors to the Board.

Mr. Barner next circulated the Election returns, a copy of which is attached hereto as Exhibit "A" and reported that the five (5) candidates for Director received the following votes:

<u>Candidate</u>	<u>Votes</u>
Mary O'Neill	30 votes
Tamika Smith	8 votes
Robert Primeaux	28 votes
EuShanta K. Walker	9 votes
Yaw Amofa	6 votes

In response to a question from Director Alamia regarding the availability of a list of the names of voters voting in the Election, Mr. Barner informed the Board that the County's Voter Registrar's Office does not provide such a list with the official results of the Election, but that such list could be requested from the County if the Board desired to obtain it. It was the consensus of the Board that obtaining such list was not necessary.

Mr. Barner next explained that, based on the official returns of the Election provided by the County and upon approval of the Order Canvassing Returns and Declaring Results of the 2019 Directors Election ("Order Canvassing Directors Election"), Mary O'Neill and Robert Primeaux shall be deemed elected to the Board to serve four (4) year terms of office to expire in May 2023.

Mr. Barner then reviewed the Order Canvassing Directors Election with the Canvassing Authority.

Upon a **motion** by Officer Alamia, seconded by Officer Primeaux, after full discussion and the question being put to the Canvassing Authority, the Canvassing Authority voted unanimously to adopt the Order Canvassing Directors Election, a copy of which is attached hereto as Exhibit "B," thereby declaring Mary O'Neill and Robert Primeaux as duly elected members of the Board.

Mr. Barner next reviewed the qualifications of the Directors and Mr. Radcliffe then proceeded to administer the Oath of Office to Directors O'Neill and Primeaux.

Officer Flight executed and delivered the Certificates of Election for Directors O'Neill and Primeaux.

Mr. Barner then discussed authorizing payment to the County for the remaining joint election costs. Upon a **motion** by Director Primeaux, seconded by Director Alamia, after full discussion and with all Directors present voting aye, the Board authorized payment to the County the remaining joint election costs.

Mr. Radcliffe exited the meeting at this time.

The Board concluded the canvassing meeting and convened the Board meeting, of which there was a quorum of the Board present.

PUBLIC COMMENT

The Vice President opened the meeting to public comment.

Ms. Tamika Smith, a resident of the District, expressed concerns regarding solid waste collection services and costs of such services. Mr. Billy O'Neill, a property owner in the District, also expressed concerns about loose solid waste and uncollected heavy solid waste in certain areas in the District.

In response, Ms. Coziar informed the Board that OFS has observed huge piles of solid waste, including beds and sofas, in the Bavaria Subdivision that are generally of a size not covered under the District's contract with OFS. Mr. Barner and Ms. Cozier went on to remind those in attendance that certain types of solid waste are not collected by OFS, such construction

debris. An extensive discussion ensued regarding the heavy solid waste collection schedule and Mr. Barner suggested that the Board consider including an annual reminder in the District's customers' bills that included the times of collection for waste and recycling. Next, discussion ensued regarding presentation of such collection information to home builders to include in welcome packages to residents that are new to the District.

In response to a question about providing bins to customers, Mr. Barner stated that adding bins to OFS' agreement requires amending such agreement with OFS and that such amendment would increase costs to the District's customers.

As no further comments were offered, the Vice President directed the Board to proceed with the agenda.

Ms. Coziar exited the meeting at this time.

MINUTES

The Board then considered approval of the minutes of the regular meeting of April 24, 2019. Upon a **motion** by Director Alamia, seconded by Director Primeaux, after full discussion and with all Directors present voting aye, the Board approved the minutes of the regular meeting of April 24, 2019, as presented.

TAX ASSESSOR-COLLECTOR'S REPORT

The Tax Assessor-Collector's Report for April 2019 was next presented by Ms. Shaver, a copy of which is attached hereto as Exhibit "C."

Ms. Shaver reported that 89.85% of the 2018 taxes have been collected as of April 30, 2019.

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board: 1) approved the Tax Assessor-Collector's Report, as presented; and 2) authorized payment of checks numbered 1789 through 1796 from the Tax Account.

In response to a request from Mr. Barner regarding Tidwell Lakes tax accounts, Ms. Shaver stated that the Tax Assessor-Collector continues to monitor such accounts.

Ms. Shaver exited the meeting at this time.

CONSTABLE'S REPORT

Sergeant Ganey presented and reviewed with the Board the Patrol Service Report for April 2019, a copy of which is attached hereto as Exhibit "D."

Sergeant Ganey first reported regarding increased criminal activity in the District and two (2) significant investigations, both of which were solved.

Sergeant Ganey next reported that the Constables that patrol Sheldon ISD's schools within the District will continue to patrol after the end of the current school year.

In response to a question from Director Alamia regarding the affect of an increase in residents in the District, Sergeant Ganey stated the County is looking for additional officers.

Mr. Barner and Sergeant Ganey went on to present and discuss information related to the costs of adding a deputy to the District's agreement with Precinct 3. Mr. Barner then recommended that the Board request Mr. Blich review the information and provide the Board with an analysis of the effect of such costs on the District's water and wastewater rates. Director Alamia next expressed his belief that the District needs an additional deputy and recommended the Board consider such addition. A brief discussion ensued regarding the potential increase in costs for such addition.

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board authorized Mr. Blich to perform a Rate Study to include the costs for the addition of an additional deputy.

At this time, Sergeant Ganey exited the meeting.

DETENTION POND MAINTENANCE REPORT

Mr. Stuckey presented photographs of silted pilot channels in Bavaria, debris in the pond bottoms of Phase II ponds, swale issues and debris along the east slope of the Phase II pond, and a sinkhole along the west slope of the Phase II pond, copies of which are attached hereto as Exhibit "E." Mr. Stuckey recommended heavy trash collection at a cost of approximately \$500. Mr. Stuckey added that the backslope swale is not draining.

Mr. Stuckey presented a proposal to remove silted material from the concrete pilot channels to promote proper flow and drainage at the Bavaria Pond, Hidden Meadow Phase II Pond and Tidwell Regional Pond in the amount of \$10,794.62. Mr. Stuckey also presented a proposal for 2019 Pond Repairs in the amount of \$17,600.09. Mr. Stuckey added that costs of the proposals are included in the budget for fiscal year ending December 31, 2019. Mr. Ainsworth stated that the Board can wait to make the repairs discussed by Mr. Stuckey, however, costs could increase the longer such projects are delayed.

Upon a **motion** by Director Alamia, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board approved both proposals presented by Mr. Stuckey, copies of which are attached hereto as Exhibit "F," subject to receipt of a Form 1295 Certificate of Interested Parties.

BOOKKEEPER'S REPORT AND INVESTMENT REPORT

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

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, 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 7754 through 7799 from the General Fund;
- b. authorized payment of checks numbered 1049 through 1050 from the Capital Projects Fund;
- c. authorized payment of checks numbered 2204 through 2215 from the Regional Wastewater Treatment Plant (the "RWWTP") Fund; and
- d. authorized payment of checks numbered 4110 through 4115 from the Surface Water Facilities Fund.

ENGINEER'S REPORT

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

Tidwell Lakes

Mr. Anderson first reported that A&S has conducted a very limited number of service connection inspections during the past period. Mr. Anderson also reported that A&S received and reviewed an appraisal for the Tidwell Lakes Water Plant from Van De Wiele & Vogler, Inc. Mr. Anderson went on to report that based on conversations, A&S understands that the developer is engaging an engineering firm for appraisals of the internal water, sewer and drainage facilities ("WS&D") as required by the Development Agreement.

Mr. Anderson next reported that A&S is working with the Attorney and surveyor on the annexation package for Tidwell Lakes, Sections 3, 5 and 6.

Regarding the Tidwell Lakes Force Main, Mr. Anderson reported that as of the date of his report, 150,000 gallons per day ("GPD") of influent are being sent to the Tidwell Wastewater Utilities' ("TWWU") Wastewater Treatment Plant ("WWTP"). Mr. Anderson went on to report that the District's contract with TWWU has reduced flow to the District's Regional Wastewater Treatment Plant ("RWWTP").

Hidden Meadow Subdivision ("Hidden Meadow")

Regarding the Backslope Interceptor and Outfall Project, Mr. Anderson reported that construction activities are complete and the Engineer awaits County inspection.

Mr. Anderson next reported that the Engineer is addressing comments from the City of Houston (the "City") and County to the plans for WS&D in Hidden Meadow, Section 11.

Mr. Anderson then reported that WS&D construction activities in Hidden Meadow, Section 14, are complete. Mr. Anderson presented Fellers & Clark, L.P. ("F&C") Pay Application No. 1 in the amount of \$382,123.72 and recommended payment of same.

Mr. Anderson reported that Hidden Meadow's streets have not been submitted to the County for acceptance as of yet, pending resolution of issues related to the culverts.

Bond Application Report No. 10 ("BAR 10")

Mr. Anderson reminded the Board that submittal of BAR 10 to the Texas Commission on Environmental Quality ("TCEQ") is subject to resolution of the RWWTP Agreement with Parkway and certain issues related to reimbursements to developers.

Service Requests and Out-of-District Service

Mr. Anderson reported that A&S received a service request and deposit check for a gas station along C. E. King Parkway adjacent to Huntford Lane.

Mr. Anderson then explained a recent inquiry from Skymark Development for service to property located outside the District across from the RWWTP. Mr. Ainsworth further explained the need for a feasibility study. An extensive discussion ensued regarding such property, including its location in the flood zone and its intended use.

Miscellaneous Engineering Projects and Requests for Service

Regarding the Vireo Apartments, LP project ("Vireo"), Mr. Anderson reported that Vireo is moving forward with apartment construction and A&S will periodically observe construction activities on behalf of the District.

Harris County Flood Control District (HCFCD")

Mr. Anderson next updated the Board on the HCFCD's 2018 Bond Program Project and reported that A&S awaits updated information. Mr. Ainsworth reported that he has spoken to County representatives regarding United States Department of Housing and Urban Development funding and the County is aware that the District is interested in being included on the list for such funding.

JOINT FACILITIES REPORT

Mr. Foster reported that Parkway Utility District's ("Parkway") attorney submitted various non-substantive comments to the RWWTP Agreement and that Parkway is ready to approve the RWWTP Agreement. Mr. Foster next reported that RBAP is waiting to review the BAR pending finalization of the RWWTP Agreement.

Mr. Anderson reported that A&S' investigation of the slope failure near the RWWTP Outfall continues. Mr. Anderson reminded the Board that Chief Solutions was authorized to televise the outfall pipe to confirm there is no issue with the pipe, but televising the outfall pipe was delayed due to weather conditions.

Regarding the status of the RWWTP's design, Mr. Anderson reported that A&S continues work on such design. Mr. Anderson next reported that the site clearing, grubbing and detention design is being revised according to the County's comments.

Mr. Anderson reported that A&S awaits the final TPDES RWWTP discharge permit including the minor amendment.

Regarding the status of projects related to the surface water purchased from the City, Mr. Anderson reported that design of the Greenwood/Parkway Surface Water Line Upgrade along Tidwell Road is ongoing. Mr. Anderson also reported regarding a follow-up meeting with the City on April 16, 2019, to discuss design alternatives and future maximum capacity through the 16" water line that is necessary to receive the additional surface water requested from the City by the District and Parkway. Mr. Anderson next reported that the City was amenable to the District's request for an extension through the end of the year to receive the additional surface water from the City.

Regarding the County's widening of Tidwell Road, Mr. Anderson discussed A&S' comments to the agreement for infrastructure work prepared by the County. Mr. Barner recommended that A&S provide its comments to the County.

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board: 1) approved the Engineer's Report and Joint Facilities Report, as presented; 2) approved F&C Pay Application No. 1 in the amount of \$382,123.72 for Hidden Meadows, Section 14, WS&D; and 3) authorized A&S to proceed with a feasibility study and review plans on behalf of the District for the gas station along C. E. King Parkway adjacent to Huntford Lane.

OPERATOR'S REPORT

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

Mr. Bellamy first reported that the District currently has 2,717 connections.

Mr. Bellamy then reported that the District has accounted for 97.9% of the water pumped by billing to the District's customers during the prior month.

Mr. Bellamy next reported that the percentage of design capacity used at the RWWTP during the prior month was 92.6% and there were three (3) excursions. Mr. Bellamy then reported that an ammonia nitrogen report, a copy of which is attached to his report, was sent to the TCEQ. Mr. Bellamy went on to report that there have been no other issues and the matter has been resolved.

Mr. Bellamy then presented the Preventative Maintenance Summary, a copy of which is attached to the Operator's Report.

Mr. Bellamy next reported that no taps have been installed during the prior month and a total of 54 taps have been installed to-date in 2019.

Mr. Bellamy then presented the Write-Off List dated April 30, 2019, a copy of which is attached to the Operator's Report.

Mr. Bellamy reported that the Delinquent Letter Accounts Listing Due May 15, 2019, is attached to his report.

Mr. Bellamy presented a proposal from Neil Technical Service ("NTS") regarding HSI blower no. 2 (the "blower"), a copy of which is attached to his report. Mr. Bellamy reported that

the cost to repair the blower is \$14,865 and the cost of a new blower is \$29,000. Mr. Bellamy recommended repair of the blower. Discussion ensued regarding approval from the District and Parkway. Mr. Bellamy stated that Parkway is aware of the issue and approved the proposal.

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, 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 repair of the HSI blower no. 2 in the amount of \$14,865.

DISTRICT WEBSITE

The Board and the District's consultant's discussed information posted on the District website.

ETHICS POLICY

Mr. Barner reminded the Board that RBAP had previously presented amendments to the District's Ethics Policy and that such policy will be re-sent to the Board for review and discussion at the June 19, 2019 meeting.

ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

The Board then discussed attendance at the Association of Water Board Directors ("AWBD") Summer Conference in Fort Worth, Texas, on June 13 through June 16, 2019. Upon a **motion** by Director Flight, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board authorized all Directors to attend the AWBD Summer Conference on behalf of the District.

APPOINTMENT OF NEW DIRECTOR TO FILL VACANCY ON BOARD

Mr. Barner stated that the Board had previously agreed to postpone appointment of a new Director to the Board until after the Election. Mr. Barner went on to state that anyone interested in appointment to the Board should attend the June 19, 2019 Board meeting.

ATTORNEY'S REPORT

Mr. Barner next presented and reviewed the May 2019 Monthly Legislative Update and reviewed new legislation affecting water districts enacted in the 86th Texas Legislative Session. Mr. Barner updated the Board regarding Senate Bills 2 and 239 and House Bill 305.

EXECUTIVE SESSION

Pursuant to Chapter 551 of the Texas Government Code, Subchapter D, of the Open Meetings Act, the Vice President called the executive session to order at 8:42 p.m. to discuss matters within the attorney/client privilege. Present for the executive session were the Board of Directors, Messrs. Barner, Foster, Anderson and Bellamy, and Ms. Brewer.

RECONVENE IN OPEN SESSION

As of 9:06 p.m., the Vice President declared the Executive Session was ended and the public session was resumed.

Upon a **motion** by Director Primeaux, seconded by Director O'Neill, after full discussion and with all Directors present voting aye, the Board authorized moving forward with settlement with TWWU.

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

SIGNED, PASSED and APPROVED this the 19th day of June, 2019.



Secretary, Board of Directors

EXHIBITS:

- A - Election Returns
- B - Order Canvassing Returns and Declaring Results of the 2019 Directors Election
- C - Tax Assessor-Collector Report
- D - Patrol Service Report
- E - Photographs of silted pilot channels in Bavaria and debris in Phase II pond
- F - Stuckey's proposals
- G - Bookkeeper's Report and Investment Report
- H - Engineer's Report/Correspondence Items
- I - Operator's Report