

MINUTES OF REGULAR MEETING
HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70
HARRIS COUNTY, TEXAS

August 4, 2021

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The Board of Directors (the "Board") of Harris County Water Control And Improvement District No. 70 (the "District") of Harris County, Texas, met in regular session, open to the public, at 6:30 p.m., on the 4th day of August 2021, at the regular meeting place thereof, 2935 Foley Road, Crosby, Texas, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

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|---------------------|--------------------|
| Bobby Crippens | President |
| Terry Lutz | Vice President |
| Randall Keith Adams | Secretary |
| Jim Raines | Director/Treasurer |
| Steve Kimes | Director |

All members of the Board were present, thus constituting a quorum.

Also present were Ms. Pamela Graham, the District's Office Manager; Mr. Jim Ainsworth, P.E. and Mr. Nirav Patel, P.E. of A&S Engineers, Inc., the District's Engineer; Ms. Caryn Adams of Wheeler & Associates, Inc., the District's Tax Assessor/Collector; Mr. Terry Stevens of TLS Utility Services, the District's Operator; and Mr. Michael P. Bacon of Bacon, Wallace & Philbin, L.L.P., the District's Attorney.

WHEREUPON, following a notation that notices of the meeting had been duly posted in accordance with law, copies of which are attached hereto as exhibits, the meeting was called to order.

APPROVAL OF MINUTES

Director Crippens called the meeting to order and declared it open for such business as might regularly come before it. The minutes of the meeting of July 7, 2021 were presented for review and approval. Upon a motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

BOOKKEEPER'S REPORT

Pamela Graham presented the Bookkeeper's Report and Investment Report, copies of which are attached hereto as exhibits. She presented the draft budget for fiscal year ending 2022 for approval. Mr. Stevens requested several changes to the budget, including increasing the repairs and maintenance estimated expenditures from \$75,000 to \$85,000; a decrease to the estimated expenditures for manhole rehabilitation from \$10,000 to \$5,000; and decreasing sewer line smoke testing/repair estimated expenditures from \$10,000 to \$5,000.

Upon a motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report.

TAX ASSESSOR/COLLECTOR'S REPORT

Caryn Adams presented and reviewed the Tax Assessor/Collector's Report, a copy of which is attached hereto. Ms. Adams stated that 97% of the District's 2020 tax levy had been collected. She reviewed disbursements and transfers from the tax account. She then reviewed the delinquent tax roll, a copy of which is attached hereto.

A discussion took place regarding the proposed Second Amendment to Agreement for Services of Tax Assessor and Collector – Senate Bill 2 Contract. Mr. Bacon stated that Senate Bill 2 was a two year old requirement. He said new laws had been passed regarding online information requirements. He requested this item be tabled until a full website recommendation could be made.

Upon a motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report.

OPERATOR'S REPORT

Terry Stevens presented and reviewed the Operator's Report, a copy of which is attached hereto as an exhibit. He reported no excursions and no violations at the Wastewater Treatment Plant. He discussed repair and maintenance items, including installation of a new control panel for Well No. 2 at Water Plant No. 1. Director Kimes discussed the history of well maintenance. Mr. Stevens said he would monitor the issues and provide recommendations for repairs.

Mr. Stevens discussed well pump issues. Mr. Patel presented and discussed a proposal for pump extraction and replacement to address an oil residue issue at an estimated cost of \$20,000. Upon a motion duly made and seconded, the Board voted unanimously to approve up to a \$20,000 expense for the well pump maintenance project as discussed.

Director Kimes discussed smart meters as a possibility for the District. Mr. Bacon discussed an economic analysis of smart meters, noting they were not usually cost saving. He stated smart meters were a service upgrade and should be considered in that context.

Mr. Stevens stated the meter reader company had requested a rate increase from \$1.25/meter to \$1.75/meter. The Board discussed the request with the Operator and other consultants. Upon a motion duly made and seconded, the Board voted unanimously to approve the increase to \$1.50/meter.

Upon a motion duly made and seconded, the Board voted unanimously to approve the Operator's Report as presented.

ENGINEER'S REPORT

Nirav Patel presented and reviewed the Engineer's Report, a copy of which is attached hereto as an exhibit.

Water Plant No. 1 Electrical Improvements Project

Mr. Patel stated the project was still in the design phase and should be ready to advertise for bids in September.

Bond Application Report 2021

Mr. Patel stated this project was on hold pending new Attorney authorization.

Other Matters

Director Kimes stated he had a problem with the invoice from Crawford Technical Services, Inc. in the amount of \$6,330.29 for electrical component repairs at the Water Plant. The Board discussed multiple repairs which had occurred with the Operator and Engineer. Mr. Ainsworth and Mr. Stevens stated this was an authorized repair and was necessary. The Board discussed the total costs of electrical upgrades which the Engineer estimated at \$600,000. Director Kimes stated he had concerns with the total cost and Mr. Ainsworth discussed the matter further.

Mr. Patel presented the televising project for Sections 1 and 2. The Board and the Attorney discussed with the Engineer and determined to authorize the project up to \$75,000 including engineering fees.

Upon a motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report as presented.

Upon a motion duly made and seconded, the Board voted unanimously to authorize solicitation of bids for the TV project up to \$75,000.

BILLING AND COLLECTIONS REPORT

Pamela Graham reviewed the Billing and Collections Report. Upon a motion duly made and seconded, the Board voted unanimously to approve the Billing and Collections Report as presented.

HARRIS COUNT JOINT VOTER SITE

Mr. Bacon stated Harris County had requested use of the District's building for the November election. The Board approved the request.

ATTORNEY'S REPORT

Mr. Bacon reviewed the Attorney invoice and administrative issues. He requested an Executive Session of the Board to discuss legal matters.

BUDGET

Upon a motion duly made and seconded, the Board voted unanimously to approve the proposed budget for fiscal year ending 2022.

EXECUTIVE SESSION

The Board adjourned at 8:08 p.m. to enter Executive Session to discuss legal matters. The Executive Session concluded at 8:34 p.m.

There being no further business to come before the Board, the meeting was adjourned.



P. H. Adon
Secretary, Board of Directors