

Harris County Water Control and Improvement District No. 74
Regular Monthly Meeting Minutes

In accordance with Chapter 551 of the Texas Government Code, notice that the Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 74 (the "District") will meet inside the boundaries of the District located at 4901 Sandydale Lane, Houston, Texas 77039, was given and held **at 5:00 p.m. on Tuesday, October 11, 2022** its regularly scheduled monthly meeting. Once a quorum was established, the Board considered the following and took the following action:

BOARD PRESENT

| | |
|----------------|------------------------------|
| Ray Griggs | President |
| Ramiro Vasquez | Vice President |
| Jose Reyna | Treasurer |
| Homero Campos | Assistant Secretary/Director |

ALSO PRESENT:

| | |
|---------------------|--|
| Jennifer Reyna | District's Office Manager |
| CHRIS LANE | SAMCO |
| | UTS- District's Tax Collector |
| PK Kvien | Viking – District's Bookkeeper |
| Ryan Nokelby | HDR - District's Engineer |
| Keith Arrant | MOC – District's Operator |
| Kenneth A. Dishongh | DISHONGH LAW, PLLC – District's Attorney |

A quorum having been established Mr. Griggs called the meeting to order at 5:00 PM

1. Public comment;
 - a. Resolution and Certificate for Order Setting Tax rate for 2022 read
 - b. Public hearing opened at 5:00 PM
 - c. None Present Public hearing closed at 5:01 PM
2. General Matters, including:
 - a) Review and Consideration of Approval of minutes of September 13, 2022 and September 20, 2022;
Motion made by Mr. Campos and seconded by Mr. Reyna for approval of minutes, all were in favor, motion carried minutes are entered into the record.
 - b) Any other matters as directed by the board.
3. Tax Collector's Report;
 - a) Status of Collections;
 - b) Pay bills from Tax Account;

- c) Delinquent Tax Report; and
- d) Resolution and Certificate for Order Setting Tax Rate for 2022;
 - 1 Vote was called for accepting the Amended order setting tax rate by Mr Campos with Mr Reyna Seconding, all were in favor. Motion passes, Board is authorized to sign and enter of record
- e) Certificate for Order Appointing Tax Collector;
 - 1 Will be updated to reflect use of agency as tax collector and signed at special meeting.
- f) Certificate for Order Resolution Tax Collection and Payment Options;
 - 1 Will be signed at special meeting
- g) Approval of list of uncollectable personal property tax accounts; and
- h) Such other matters presented by the District's Tax Collector
- i) Mr Campos made a motion to accept the Tax Collectors report with Mr. Reyna Seconding, all were in favor. Motion carried.

4. Bookkeeper's Report, including:

- a) Financial Statements;
- b) Status of account balances and funds transfers;
 - 1 Beginning balance of 132,000
 - 2 Total disbursements 346943.90
 - 3 New balance 72,050.41
 - 4 Payroll account is a 0 balance
 - 5 Operating fund 3594687.74 vs beginning balance of 3729060.67,
 - 6 Debt service account totals 409173
 - 7 Total balance 4215961.69, overall decrease
 - 8 Financial statements for September show total revenue of 175492
 - 9 Operating expenses 124963
 - 10 Net change in balance of 1532,242
 - 11 Overall revenues are up and expenditures down, compared to last month and year, but cash balances are down from last month and year
 - 12 Capital surplus is over, and revenues have not changed that drastically, which accounts for the under budget
- c) Payment of invoices and issuance of checks, including Pay Estimates;
 - 1. Mr. Griggs asked about the lower checks for both him and Mr. Vasquez of \$530.35 compared to the other board members of \$554.10
- d) If applicable, discussion of financial investment options and approval of financial investment recommendations;
- e) Quarterly Investment Report;
 - 1 Right now only invested in 1 CD, other CDs have been closed out
- f) Such other matters presented by the District's Bookkeeper
- g) Motion to approve the bookkeepers report by Mr Reyna, seconded by Mr. Campos, all in favor; Motion carried.

h) Motion to approve the investment report by Mr. Reyna seconded by Mr. Campos, all in favor. Motion carried. Investment report to be executed by Mr. Reyna and entered of record.


5. Engineer's Report, including:

- a. Mr Nokelby gave the engineers report with a representative of Dunham engineering
- b. Logo was presented for elevated storage tank, need to know what district wants then Dunham can provide information about what is needed going forward
- c. Discussion was made as to the placement and wording of the logo
- d. Dalton from Dunham recommended using a specialized logo designer that they use for tanks, discussed the process of placing the logo on the tank. No additional engineering and consulting fee in this case to speed up the process by providing it directly to the contractor
- e. A change order for the contractor is required.
- f. Discussion of logo and word color was had, green for the tree and black for the lettering was decided upon, specific shades of green could be presented by the designer
- g. Mr. Reyna asked who determined color of water tank, was decided by board
- h. Mr. Reyna asked if the board had considered options for advertisement on the water towers, Mr. Nokelby confirmed it as possible. Discussion was had about the general use of water towers for other district uses
- i. Dunhams construction report
 - i. Copy of finished GST with color board selected and name
- j. Pay estimate needed to 100% all of the GST related pay items, Dunham and Mr. Nokelby recommend payment by the district
 - ii. Motion to approve pay estimate made by Mr. Campos, seconded by Mr. Vasquez, all in favor. Motion carried.
- k. Malcolm Dishongh has called Aldine attorney and left a message no response.
- l. Centerpoint has claimed wire shortage preventing them from energizing streetlights, centerpoint hit a service line
- m. 5115 Debeny, Malcolm Dishongh checked manhole covers, repairs appear to have been made but there is no receipt. Work was not performed by the Districts men. Discussion of turning off the water. If not done by certified plumber, MOC can review, but cost assessed against homeowner. Termination of service pending MOC review with Ms. Rena calling homeowner to discuss.
- n. Nothing back from the city of Houston on GRP surface water connection issue
- o. Jennifer Reyna reached out to Las Brisas apartments, no contact, recommends sending demand letter
- p. Signs are ready for pickup, need to confirm who goes out to pick up signage.
- q. ERV-Total amount of asset value increased to 14620000 after review. Arthur Gallagher is requesting quotes from insurance companies
- r. Had to publish notice of receipt and intent to receive a water quality permit
 - iii. Must publish in Spanish only news paper and largest newspaper in area
 - iv. Was published in chronicle 10/11/22 for cost of 6,833.68 and Buena Suerte for \$760.00, was paid by HDR
 - v. Newspapers will now send affidavits and all documentation will be paid by TCEQ

- vi. Will be displayed in public at the district office and TCEQ region 12
- s. High meadows PER
 - vii. Discussion of different water supply routes
 - 1. Reached out for information on ditch
 - 2. Many structures have been built up against the easement
 - 3. All alternatives include looped system
 - 4. Discussion of alternative systems by Mr. Vasquez
 - 5. Mr. Nokelby recommends doing a parallel line, once easement with Aldine ISD is received a loop must happen there anyway
- t. Water will need to be turned off on the east side of the district for 30 minutes on 10/12/2022
- u. HC Eastex Freeway forest subdivision
 - viii. FNI thinks that aranda brothers is only responsible for an amount of 1610.85 vs the districts damages of 11250.20
 - ix. HDR disagrees, as later streets were not damaged in the same way that Bethany is.
 - x. Requested email in writing stating the counties review of the damages. No email has been sent as of this meeting.
 - xi. Discussion of lawsuit, defer to attorney for cost analysis
- v. Phase 2
 - xii. Discussion regarding change order and costs
 - xiii. Change order 2 costs discussed
 - xiv. Discussion of storm sewer box culvert
 - 1. Aranda brothers installed their box a foot and a half too low
 - 2. Three parties surveyed it and agreed that the storm sewer box was a foot and a half too low
 - 3. This is going to result in a complete reinstall of the box, at Aranda Brothers cost, but this will result in a full closure of Mcnaughten, time to be announced, this is the counties decision
 - xv. DNW elected to reroute sewer service around manhole instead of moving manhole
 - 1. Damage is already done and straight service cannot be achieved without any bends
 - 2. HDR objected to the assigning of these costs to District
 - xvi. Total change order is 41k plus 40k additional cost equals around 80k, additional funds are available to cover
 - xvii. Pay estimates
 - 1. Overpayment to contractors, go between with county and scohill
 - xviii. Final shutdown tomorrow for water plant 2 as water plant 1 is back online
 - 1. Thursday with final walkthrough Friday morning
 - xix. During review of final checklist, opening orientation was not correct, Ferguson admitted fault, going to repair at no cost, but this required additional turnoffs, Wednesday will be the last gate connect repair
 - 1. Over 20 valves were incorrect
- w. Discussion of possible meter tampering
 - xx. Meter was turned around
- x. Motion to accept engineers report made by Mr. Campos, seconded by Mr. Vasquez, all in favor. Motion carried.

6. Plant Operator's Report, including:
 - a. Repairs and/or replacement of District Facilities;
 - b. Discharge Monitor Report (DMR);
 - c. Consideration of such other Matters presented by the District's Operator-Municipal Operations & Consulting, Inc.
 - d. Mr Arrant provided the plant operators report
 - e. Discussion of the flows and water movement in the district
 - f. DMR for the calendar month of september, everything in compliance
 - g. Plant at 47% of permanent capacity
 - h. One plant down for recoating, but overall everything is as expected
 - i. Sewage vertical turbines have been showing wear and leakage, but they have been pulled and began to be repaired
 - j. Ms Rena asked if we were still in a drought, Mr Arrant notes that drought contingency has not yet been lifted but that its up to this district to decide, expects within 30 days to be unnecessary
 - k. Need someone from MOC for final walk on Friday at 8:30
 - l. Motion made by Mr. Reyna to accept plant operators report, seconded by Mr. Campos, all in favor. Motion carried.
7. Office Manager's Report including;
 - a. Approval of payables and payroll
 - b. Motion to approve made by Mr. Reyna, seconded by Mr. Campos, all in favor. Motion carried payables and payroll approved.
 - c. Approval of Best Trash Rate
 - d. Previous rate will be increasing by 75 cents per house hold, will continue through September of 2023
 - e. Presentation of Expenses, rising costs noted, increased prices across the board, asking for an additional 7% which would make a new rate of \$17.24 per household if approved or 12% total
 - f. Jennifer Rena asked for additional time for board to discuss the rate increase.
 - g. Board has agreed to discuss the request for additional increase, will inform trash company at a later date.
 - h. Workshop set for October 25th at 5:00pm
 - i. Logo discussed during engineer report
 - j. Plant cameras
 - k. Spoke with constable and will get information
 - l. Tabled
 - m. 7 accounts closed
 - n. 1 account owes balance of \$13
 - o. 5 accounts opened
 - p. 8 accounts shut off for non payment and all paid after shut off
 - q. Water plant 1 at 0, with 96% accountability
 - r. 16,571,000 gallons pumped
 - s. 19k in city of Houston fees
 - t. September jobs covered.
 - u. Surge by Aldine Mail Rte, lift station was messed up
 - v. Eastex freeway project
 - w. Centerpoint damaged another service line

- x. Motion to approve office managers report made by Mr. Campos, seconded by Mr. Reyna, all in favor. Motion carried.
 - y. Such other matters as presented by the District's Office Manager;
8. Attorneys Report, including:
- a. Resolution and Approval of Amended and Restated District Information Form;
 - a. Signed and approved by the board.
 - b. Such other matters as presented by Legal Counsel.
 - c. Mr Campos made a motion to accept attorneys report, seconded by Mr. Reyna, All in favor. Motion carried.
9. Executive Session, AS NECESSARY:
Pursuant to Chapter 551 of the Texas Government Code, Subchapter D, of the Open Meetings Act, discuss matters relating to attorney-client privilege, personnel matters, potential litigation, security matters and/or real estate matters, respectively;
- a. Reconvene in Open Session;
 - b. Vote on matters considered in Executive Session, if any.


Sonia Gomez/Secretary – Homero Campos/Assistant Secretary
Harris County Water Control and
Improvement District No. 74
4901 Sandydale
Houston, Texas 77039

