

MINUTES
EMERALD FOREST UTILITY DISTRICT

January 13, 2025

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 13th day of January, 2025, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Bobby G. Dillard	President
Robert M. Kimball	Vice President
William B. Schmidt	Secretary
Donald F. Brooks	Asst. Vice President
DeWayne High	Assistant Secretary

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

Also present at the meeting were Barry Hards of Texas Groundworks Management, Inc. ("TGM"); Danae DeHoyos of Touchstone District Services; Stephanie Viator of District Data Services, Inc.; Robel Giackero of Baxter & Woodman, Inc. ("B&W"); Lonnie Lee of Regional Water Corporation ("RWC"); Debbie Arellano of Bob Leared Interests; and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Hards introduced himself and discussed the services provided by TGM.

APPROVE MINUTES

The Board considered approving the minutes of the December 9, 2024, regular meeting. After review and discussion, Director High moved to approve the minutes of the December 9, 2024, regular meeting, as submitted. Director Schmidt seconded the motion, which passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2024

The Board deferred discussion on this agenda item.

REORGANIZE THE BOARD AND ELECT OFFICERS

The Board tabled discussion on this agenda item.

AUTHORIZE FILING OF DISTRICT REGISTRATION FORM WITH TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (“TCEQ”)

The Board tabled discussion on this agenda item.

WEBSITE AND COMMUNICATION MATTERS

Ms. DeHoyos reviewed the website and communication report, a copy of which is attached.

GARBAGE COLLECTION MATTERS

There was no discussion on this agenda item.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano presented the monthly tax report, a copy of which is attached. She stated that 41.9% of the District’s 2024 taxes were collected as of December 31, 2024. Ms. Arellano then reviewed the District’s delinquent tax roll.

After review and discussion, Director Schmidt moved to approve the tax report and payment of the tax bills. Director High seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Viator reviewed the bookkeeper’s report, including the District’s investments and the budget comparison, and submitted the bills for payment. A copy of the bookkeeper’s report is attached.

After review and discussion, Director High moved to approve the bookkeeper’s report and payment of the bills. Director Schmidt seconded the motion, which passed unanimously.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

The Board considered accepting the disclosure statements from the District’s bookkeeper and Investment Officer for filing with the Texas Ethics Commission as required by the Public Funds Investment Act. After review and discussion, Director High moved to accept the disclosure statements from the District’s bookkeeper and Investment Officer and to authorize filing with the Texas Ethics Commission. Director Kimball seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Ramirez reported that ABHR has no recommendations to revise the District's existing post-issuance compliance policy.

ANNUAL CYBERSECURITY TRAINING

Ms. Ramirez reviewed the annual cybersecurity training requirements for certain local government employees and elected officials pursuant to Chapter 2054, Texas Government Code. She stated that Board members must select a training program that is certified by the Texas Department of Information Resources. Ms. Ramirez added that according to the Texas Department of Information Resources the training should be completed by August 31st of each year.

ADOPT RESOLUTION ADOPTING COVERED APPLICATIONS POLICY

Ms. Ramirez discussed legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. She stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Ms. Ramirez reviewed the proposed Covered Applications Policy with the Board.

After review and discussion, Director Kimball moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Schmidt seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Lee presented the operations report from RWC, a copy of which is attached. He reported on routine maintenance and repair items in the District. He stated that water accountability for the prior billing cycle was 85.4%.

Mr. Lee reported that after reviewing the results of the additional televising of the sanitary sewer line on Ridge Run Drive, RWC has identified numerous sags in the line that require repair. He reviewed and recommended approval of a proposal for repair of the sanitary sewer line in the amount of \$63,787.00, submitted by Wright Solutions, a copy of which is attached. After review and discussion, Director Dillard moved to approve the proposal in the amount of \$63,787.00, as recommended. Director Schmidt seconded the motion, which passed unanimously.

Mr. Lee reviewed a request from account no. 1-30-02295-00 requesting a bill adjustment and a payment plan for high water and sewer bills from November and

December, 2024.

After review and discussion, Director Kimball moved to (1) approve the operator's report; and (2) deny the request for a bill adjustment for account no. 1-30-02295-00, but authorize RWC to offer a six-month payment plan. Director High seconded the motion, which passed unanimously.

AMEND DISTRICT RATE ORDER

The Board tabled discussion on this agenda item.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

The Board conducted a hearing on the termination of water and sewer service to delinquent accounts. Mr. Lee stated that the residents on the list were delinquent in payment of their water and sewer 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 bills and to show reason for nonpayment, all in accordance with the District's Rate Order. After discussion, Director Kimball moved that, because the customers on the list were neither present at the meeting nor had presented any written statement on the matter, water and sewer service for accounts totaling \$10 or more would be terminated the following week in accordance with the District's Rate Order, except (i) accounts in compliance with payment agreements, and (ii) commercial accounts, which are to be contacted first by RWC and then terminated the following Monday if payment has not been received. Director High seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Giackero reviewed the engineer's report, a copy of which is attached.

FEASIBILITY STUDIES, PLAN REVIEWS, AND SERVICE REQUESTS

Mr. Giackero updated the Board on the status of the pending plan reviews and service requests, as reflected in his report.

Mr. Giackero stated that B&W reviewed the revised plans for the proposed renovations of the Old Windfern High School and provided a letter of no objection on December 11, 2024, a copy of which is attached to the engineer's report.

Mr. Giackero stated that B&W and RWC conducted a site visit to the third building located on the 1.345-acre Kensinger-Donnelly tract on December 19, 2024, and determined that a grease trap is not required for the business. He also stated

that work has mobilized on the other two businesses at that location to install the required grease traps.

Mr. Giackero stated that the District received a service request letter from Cory Driskill with Crow Holdings for a proposed industrial development on a 22-acre tract on the west side of FM 1960 between Gilder Road and Meadow Vista Boulevard, a copy of which is attached to the engineer's report. He stated that he informed the property owner of the District's feasibility study process, including the required deposit. Mr. Giackero requested the Board authorize B&W to proceed with the feasibility study once the deposit is received. After discussion, Director Schmidt moved to authorize B&W to prepare the feasibility study once the deposit has been received. Director Kimball seconded the motion, which passed unanimously.

CYPRESS GLEN SANITARY SEWER REPAIR PROJECT

Mr. Giackero updated the Board on the status of the sanitary sewer and manhole rehabilitation project for Cypress Glen, as reflected in his report. He stated that the final inspection was held on December 12, 2024, and a punch list was provided to the contractor, a copy of which is attached to the engineer's report. Mr. Giackero did not have any Pay Estimates or Change Orders from Texas Pride Utilities, LLC for the Board's approval.

UPDATE REGARDING EXCEPTION REQUESTS FROM TCEQ AND COMPLIANCE WITH ENFORCEMENT ORDER

Mr. Giackero stated that there was no update on this matter.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Mr. Giackero stated that District obtained final approval from the City of Houston for the 1960 water and sanitary sewer extension project.

Mr. Giackero reported that the general operating permits related to the storage of hazardous materials for water plant no. 2, water plant no. 3, and the wastewater treatment plant will expire on March 15, 2025, and requested authorization to begin work on the permit renewals. After review and discussion, Director Schmidt moved to authorize B&W to proceed with obtaining the required permit renewals. Director Kimball seconded the motion, which passed unanimously.

UPDATE ON PREPARATION OF BOND APPLICATION, INCLUDING ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TCEQ FOR APPROVAL OF PROJECTS AND BONDS

Mr. Giackero updated the Board on the preparation of the District's bond application, as reflected in his report. The Board then considered adopting a Resolution Authorizing Application to the TCEQ for Approval of Projects and Bonds.

After review and discussion, Director Dillard moved to adopt the Resolution Authorizing Application to the TCEQ for Approval of Projects and Bonds and direct that the Resolution be filed appropriately and retained in the District's official records. Director High seconded the motion, which passed unanimously.

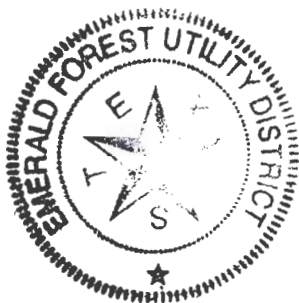
Ms. Ramirez stated that since some of the land proposed to be reimbursed in the bond application lies in the floodplain, the District might be required to obtain an appraisal of the property. The Board reviewed a proposal in the amount of \$5,500, submitted by CBRE, Inc., for property valuation services. After review and discussion, Director High moved to approve the proposal, if necessary. Director Schmidt seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

There was no discussion on this agenda item.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Website and communication report.....	2
Tax assessor/collector's report.....	2
Bookkeeper's report.....	2
Operations report.....	3
Proposal for repair of Ridge Run Drive sanitary sewer line	3
Engineer's report.....	4