

MINUTES
NOTTINGHAM COUNTRY MUNICIPAL UTILITY DISTRICT

January 17, 2022

The Board of Directors (the "Board") of Nottingham Country Municipal Utility District (the "District") met in regular session, open to the public, on the 17th day of January, 2022, at the Parklake Village Homeowners Association Clubhouse, 19818 Almond Park, inside the boundaries of the District, and the roll was called of the members of the Board:

Ronald E. Hudson	President
Vaughan Brown	Vice President
Alan Wiggins	Secretary
Wade K. Skelton	Assistant Vice President
Dennis Moon	Assistant Secretary

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

Also attending all or part of the meeting via either telephone or in person were Jennifer Hanna of BKD, LLP; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Kelley Jurecek of Tax Tech, Inc.; Brian Bare of Si Environmental, LLC ("SiEnviro"); Teague Harris and Vernon Webb of IDS Engineering Group ("IDS"); Jacob Van Sant of Van Sant Landscaping ("Van Sant"); and Christina Miller, Erin Mitchell, and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Director Hudson offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Hudson moved to the next agenda item.

MINUTES OF PRIOR MEETING

The Board considered approval of the minutes of the District's regular meeting held on December 20, 2021. Following review and discussion, Director Skelton moved to approve the minutes of the December 20, 2021, regular meeting, as written. Director Brown seconded the motion, which passed unanimously.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")
MATTERS

APPROVE COMPLETION AND SUBMITTAL OF WATER USAGE REPORTING
FORM TO THE AUTHORITY

Ms. Miller stated that the District is required to submit a 2021 Water Usage Reporting Form to the Authority. After discussion, Director Skelton moved to authorize SiEnviro to prepare and submit a Water Usage Reporting Form on behalf of the District, and direct that it be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which carried unanimously.

ADOPT RESOLUTION NOMINATING A CANDIDATE TO SERVE AS A
DIRECTOR ON THE BOARD OF DIRECTORS OF WHCRWA DIRECTOR
PRECINCT NO. 2

Ms. Miller stated that Jay Wheeler's term as the Authority's Director for Precinct No. 2 expires in May, 2022. Ms. Miller discussed procedures related to nominating a candidate to serve as a Director for Precinct No. 2 and reviewed a Resolution Nominating a Candidate for the Board of Directors of the Authority. Following discussion, Director Skelton moved to adopt a Resolution nominating Jay Wheeler to serve as said director and direct that the Resolution be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which was approved unanimously.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2021

Ms. Hanna reviewed the District's audit for fiscal year ending September 30, 2021. Following review and discussion, Director Brown moved to approve the audit for fiscal year ending September 30, 2021, subject to final comments by the Board and consultants, and direct that the audit be filed appropriately and retained in the District's official records. Director Moon seconded the motion, which was approved by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne presented the bookkeeper's report, a copy of which is attached. Mr. Hawthorne reviewed the bookkeeper's report, including the budget comparison, schedule of investments, quarterly investment report, certificates of deposit expired and renewed, and checks presented for approval.

ANNUAL DISCLOSURE STATEMENTS

Pursuant to the District's Investment Policy, Ms. Miller presented the annual disclosure statement from Mark Burton and Ghia Lewis as the District's

Investment Officers and bookkeepers. She explained that the Investment Officer and bookkeeper are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District.

After review and discussion, Director Wiggins moved to (1) approve the bookkeeper's report; (2) authorize payment of the bills; and (3) accept Mr. Burton's and Ms. Lewis's disclosure statements and authorize filing with the Texas Ethics Commission and retaining in the District's official records. Director Skelton seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST ISSUANCE COMPLIANCE POLICY

Ms. Miller reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Miller stated the District's insurance policies will expire March 1, 2022. She then presented a proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies. Following discussion, Director Brown moved to approve the proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies. Director Moon seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Jurecek distributed and reviewed the tax assessor/collector's report, including a list of checks presented for approval, a copy of which is attached. She noted 99.47% of the 2020 taxes have been collected and 66.19% of the 2021 taxes have been collected as of the meeting date. After review and discussion, Director Brown moved to (1) approve the tax assessor/collector's report; and (2) authorize payment of the checks drawn on the District's tax account. Director Wiggins seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Bare reviewed the operations report, a copy of which is attached. He generally reviewed operations and maintenance for the month. Mr. Bare reported 94.76% accountability for the prior month. He reported that there were no violations at the wastewater treatment plant and no new connections.

CUSTOMER CORRESPONDENCE

Mr. Bare presented and reviewed correspondence from a District customer requesting a leak adjustment for their October bill, which totaled \$214.98. Mr. Bare

reported that SiEnviro checked the customer's meter, and there was not issue with the meter. Discussion ensued.

CONDUCT HEARING ON TERMINATION OF WATER SERVICE

Mr. Bare presented to the Board a list of delinquent customers and reported that the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. After review and discussion, Director Skelton moved to terminate services for the customers on the list in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Brown seconded the motion, which passed unanimously.

ADOPT AMENDED RATE ORDER

Ms. Miller discussed recently enacted legislation prohibiting certain retail water or sewer providers from imposing late fees or termination service for nonpayment of water bills that become due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. She presented a proposed Amended Rate Order incorporating such provisions.

After review and discussion, Director Skelton moved to (1) approve the operator's report; (2) deny the customer leak adjustment request; and (3) adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records. Director Brown seconded the motion, which passed unanimously.

ENGINEERING AND CAPITAL IMPROVEMENT PROJECTS

The Board then received the engineer's report, a copy of which is attached.

WATER PLANT AND WELL NO. 1 FLOOD MITIGATION

Mr. Harris updated the Board regarding the Water Plant and Well No. 1 Flood Mitigation project.

Mr. Harris stated that Electric Motor Specialists ("EMS"), the local factory authorized repair shop, completed the repairs to two booster pumps. He stated that the two pumps were installed on January 3, 2022, tested, and placed into service on January 10, 2022. Mr. Harris reported that all four booster pumps are now working and noted that the two large booster pumps will not need to run much until water demand picks up in the Spring.

Mr. Harris reviewed and recommended approval of an amended Change Order No. 5 to the contract with WW Payton Corporation ("WW Payton") for the Water Plant and Well No. 1 Flood Mitigation project which includes three additional items to the original change Order No. 5 considered by the Board: (1) the replacement of the booster pump hoist rails for \$3,400.00; (2) the rehabilitation of the booster pump hoist and longer chain for \$1,300.00; and (3) the replacement of a 6-inch discharge check valve for \$1,800.00. Mr. Harris stated that the additional items will increase the contract in the amount of \$6,500.00. The Board determined that Change Order No. 5 is beneficial to the District.

Mr. Harris stated that IDS scheduled a final inspection for Wednesday, January 19, 2022, and that after any punch list items are addressed, the project will be complete. Mr. Harris then reviewed and recommended approval of Pay Estimate No. 9 and Final in the amount of \$343,875.15, payable to WW Payton. He also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities, contingent upon the engineer's determination that the project is complete.

WELL NO. 2 FLOOD MITIGATION

Mr. Harris provided an update on the status of the Well No. 2 flood mitigation project.

WELL NO. 3 FLOOD MITIGATION

Mr. Harris stated IDS continues to update the scope of work for the Well No. 3 flood mitigation project. He stated that he will bring a conceptual cost estimate and an engineering fee proposal to the Board for approval.

WASTEWATER TREATMENT PLANT ("WWTP") FLOOD MITIGATION

Mr. Harris stated that IDS reviewed the scope of work for the WWTP Flood Mitigation project with the operator. Mr. Harris stated that IDS will propose the addition of several other improvements to the original scope of work which will increase the estimated cost of the project. Mr. Harris reviewed the major elements of the original scope of work defined in 2018 that consisted of (1) raising the CenterPoint Electric Service and Main Disconnect Switch; (2) adding a new motor control center enclosed in an elevated concrete building; (3) raising the automatic transfer switch; (4) raising the emergency generator; and (5) raising the existing diesel storage tank. Mr. Harris stated that the major elements of the expanded scope of work consist of (1) replacing the emergency generator's sound enclosure; (2) replacing the diesel storage tank with an increased capacity diesel belly tank; (3) replacing 30-year-old electrical conductors; and (4) constructing an elevated disinfection chemical feed building. Mr. Harris stated that the original cost

estimate was \$1,635,000.00, including a 10% contingency. Mr. Harris stated that the construction cost estimate for the expanded scope of work is \$2,600,400.00.

WASTEWATER TREATMENT PLANT IMPROVEMENTS

Mr. Harris stated that N&S Construction Company, L.P. ("N&S") completed the installation of Aeration Basin No. 1 and the operator placed it into service. Mr. Harris stated that the operator drained and cleaned Aeration Basin No. 2 and that N&S is installing the additional aeration piping and diffuser equipment. He stated that N&S expects to complete the Aeration Basin No. 2 installation the week of January 17, 2022. Mr. Harris stated that IDS will then schedule a final walk through of the project. Mr. Harris stated that there was no pay application from N&S for the month. Mr. Harris requested the Board's authorization to pay Aerzen USA ("Aerzen") for the inspection, supply of replacement parts, and installation in two of the Aerzen Blowers in an amount not to exceed \$6,373.08. Discussion ensued regarding a maintenance program for the Aerzen equipment.

NON-POTABLE WATER SYSTEM

Mr. Harris stated that IDS requested bids from three contractors to furnish and install the new non-potable water supply pumps and piping at the WWTP.

TCEQ WWTP DISCHARGE PERMIT RENEWAL FOR PERMIT TERM 2022-2027

Mr. Harris stated that IDS revised and resubmitted to the Texas Commission on Environmental Quality ("TCEQ") an application renewal that included a major amendment of the District's WWTP Discharge Permit. He stated that the TCEQ's review of the application is in ongoing.

OFFSITE LIFT STATION FLOOD MITIGATION

There was no discussion on this matter.

SANITARY SEWER REHABILITATION PROGRAM

Mr. Harris stated that the operator has scheduled the cleaning and video inspection of the Phase 5-C Sanitary Sewer Rehabilitation Program for January 2022.

DEEDS, EASEMENTS, CONSENTS TO ENCROACHMENTS, REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

There was no discussion on this matter.

DISTRICT CAPITAL IMPROVEMENT PLAN ("CIP") BUDGET UPDATE

There was no discussion on this matter.

GEOGRAPHIC INFORMATION SYSTEM ("GIS")

There was no discussion on this matter.

DETENTION POND MAINTENANCE MATTERS

There was no discussion on this matter.

DISTRICT FACILITIES AND ENGINEERING WORK, INCLUDING STORM WATER CHANNEL IMPROVEMENTS

There was no discussion on this matter.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

Mr. Harris then distributed a draft District Facilities and Capital Projects Update for the Board's review and comment for posting on the District's website. Discussion ensued.

Following review and discussion, Director Wiggins moved to (1) approve the engineer's report; (2) approve amended Change Order No. 5 in the amount of \$6,500.00 as an increase to the contract with WW Payton, based upon the Board's finding that the amended Change Order is beneficial to the District and the engineer's recommendation; (3) approve Pay Estimate No. 9 and Final in the amount of \$343,875.15, and to accept the facilities, contingent upon the engineer's determination that the project is complete; (4) authorize IDS to expand the scope of work for the WWTP flood mitigation project; (5) approve the payment to Aerzen in an amount not to exceed \$6,373.08; and (6) authorize IDS to request a quote from Aerzen for a semi-annual maintenance program for the equipment at the WWTP. Director Moon seconded the motion, which passed unanimously.

GREENBELT PARK AND GREENBELT NORWALK

Director Brown generally reported on maintenance matters related to Greenbelt Park and Greenbelt Norwalk (collectively, the "Greenbelts").

LANDSCAPE MAINTENANCE REPORT

Mr. Van Sant reviewed a Park Maintenance Report from Van Sant, a copy of which is attached. Discussion ensued regarding Van Sant's scope of services

and maintenance schedule. Mr. Van Sant stated that he will revise Exhibit "A" and present it to the Board at the February meeting. Director Wiggins asked Mr. Van Sant to collect trash in a certain area of the Greenbelts.

REQUEST FOR PROPOSALS AND SERVICE AGREEMENT FOR ONGOING PARK MAINTENANCE

There was no discussion on this matter.

LONG-TERM PARK AND RECREATIONAL FACILITY PLANNING MATTERS

There was no discussion on this matter.

PARK USE AGREEMENTS

There was no discussion on this matter.

LANDSCAPE ARCHITECT'S REPORT

The Board received a Landscape Architect's Report, a copy of which is attached. The Board discussed the Greenbelt Park Trail Lighting Replacement project.

PUBLIC POWER POOL ("PPP") TECHNICAL COMMITTEE

Director Hudson generally reported on the PPP Technical Committee.

EMERGENCY NOTIFICATION SYSTEM

There was no discussion on this matter.

DISTRICT TECHNOLOGY AND INFORMATION MANAGEMENT MATTERS

ANNUAL CYBERSECURITY TRAINING

Ms. Miller discussed annual cybersecurity training requirements for certain local government employees and elected officials pursuant to Chapter 2054, Texas Government Code. Ms. Miller stated that Board members who use District-owned iPads must select a training program that is certified by the Texas Department of Information Resources. Ms. Miller added that according to the Texas Department of Information Resources the training should be completed by June 14th of each year.

WEBSITE MATTERS

Director Wiggins generally reported on the District's website.

2022 DIRECTORS ELECTION

Ms. Miller discussed procedures related to the 2022 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2022 Directors Election Period. Following review and discussion, Director Brown moved to adopt a Resolution Designating an Agent of the Secretary of the Board During the 2022 Directors Election Period appointing Caroline Jones as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which was approved by unanimous vote.

Ms. Miller reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2022 Directors Election. Following discussion, Director Brown moved to authorize the Secretary's agent to post the notice as required. Director Wiggins seconded the motion, which was approved by unanimous vote.

Ms. Miller stated that the District may contract with Harris County (the "County") to conduct the District's 2022 Directors Election. After discussion, Director Brown moved to contract with the County to administer the District's election. Director Wiggins seconded the motion, which was approved by unanimous vote.

Ms. Miller reviewed an Order Calling Directors Election. Following review and discussion, Director Brown moved to adopt the Order Calling Directors Election and direct that the Order be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which passed unanimously.

Ms. Miller discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of the County. Following discussion, Director Brown moved to authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required, and to direct that the Notice be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which passed unanimously.

MEETING SCHEDULE

After review and discussion, the Board concurred to hold its next regular meeting on February 21, 2022, at 11:30 a.m., in person at the offices of ABHR.

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


Secretary, Board of Directors



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