

MINUTES
NOTTINGHAM COUNTRY MUNICIPAL UTILITY DISTRICT

December 19, 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 19th day of December, 2022, 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:

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 except Directors Wiggins and Moon, thus constituting a quorum.

Also attending the meeting were Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MAC"); Kelley Jurecek of Tax Tech, Inc.; Brian Bare and Kyle Donham of Si Environmental, LLC ("Si"); Teague Harris and Vernon Webb of IDS Engineering Group ("IDS"); Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Jacob Van Sant of Van Sant Landscaping ("Van Sant"); and Christina Miller, Duggan Baker, and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Director Hudson offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director 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 November 28, 2022. Following review and discussion, Director Brown moved to approve the minutes of the November 28, 2022 regular meeting, as presented. Director Skelton seconded the motion, which passed unanimously.

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

Mr. Baker updated the Board regarding Authority matters and stated that the District received letter notice from the Authority notifying the District that the Authority

received final approval from its Board of Directors of the previously-noticed Groundwater Reduction Plan Fee (\$3.95 per 1,000 gallons of groundwater pumped) and Surface Water Fee (\$4.35 per 1,000 gallons of water delivered by the Authority), to be effective, in each case, January 1, 2023. Mr. Baker also updated the Board regarding two new Contact Information Request Forms implemented by the Authority.

Mr. Hawthorne and Mr. Harris joined the meeting.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne presented and 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. Mr. Hawthorne then presented and reviewed a draft Paycom Services Agreement with HR&P, Inc. (the "Payroll Agreement") for HR&P, Inc. to administer payroll processing, including calculation and withholding of payroll taxes, for the Directors' fees of office and expenses. Mr. Hawthorne notified the Board that Mark Burton would attend the District's February meeting to discuss opportunities for investing District funds in U.S. treasury bills.

Following review and discussion, Director Brown moved to (1) approve the bookkeeper's report; (2) authorize payment of the bills; and (3) decline approval of the Payroll Agreement. Director Skelton seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. Baker stated that the District's insurance policies will expire March 1, 2023 and noted that a proposal for renewal from the District's current insurer, McDonald & Wessendorff Insurance ("M&W") has been requested. Mr. Baker inquired whether the Board would like to request proposals from any other insurers. After review and discussion, the Board concurred to defer requesting proposals from insurers besides M&W until its review and consideration of M&W's renewal proposal at next month's meeting.

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 99.20% of the 2022 taxes have been collected as of the meeting date and 12.35% of the 2022 taxes have been collected as of the meeting date. After review and discussion, Director Skelton 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 Brown 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 93.79% accountability for the prior month. He reported that there was one violation at the wastewater treatment plant regarding the level of dissolved oxygen in one lab test. Board discussion ensued. Mr. Bare stated that the violation was possibly an anomaly due to lab testing margins of error and noted that he did not expect this to be a recurring issue. Mr. Bare reported that there were no new connections.

CUSTOMER CORRESPONDENCE

There was no discussion regarding this matter.

ANNUAL INSPECTION FOR SYSTEM-WIDE LEAK DETECTION

There was no discussion regarding this matter.

Mr. Bare stated that Si is monitoring two irrigation meters in Greenbelt Park and Greenbelt Norwalk (the “Greenbelts”) for high water usage.

Mr. Bare presented and reviewed a proposal to mow at the District’s facilities in the amount of \$1,100.00. After review and discussion, Director Skelton moved to approve the proposal in the amount of \$1,100.00. Director Brown seconded the motion, which passed unanimously.

Mr. Bare presented and reviewed a proposal to flush certain lines in the District. After review and discussion, Director Brown moved to approve the proposal in an amount not to exceed \$8,000.00. Director Skelton seconded the motion, which passed unanimously.

After review and discussion, Director Brown moved to approve the operator’s report. Director Skelton seconded the motion, which passed unanimously.

Mr. Baker informed the Board that the attorney for Harris County Municipal District No. 81 (“MUD No. 81”) had notified ABHR that the District’s Emergency Water Supply Interconnect Agreement (“Emergency Interconnect Agreement”) will expire in January of 2023 and indicated MUD No. 81’s desire to amend and restate the Emergency Interconnect Agreement. Board discussion ensued. Mrs. Miller stated that ABHR would draft the Amended and Restated Emergency Interconnect Agreement and provide a draft for the Board’s review and consideration.

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 Brown 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 Skelton seconded the motion, which passed unanimously.

PUBLIC UTILITY COMMISSION RULES REGARDING EXTREME WEATHER EMERGENCIES, INCLUDING ISSUANCE OF ONE-TIME NOTICE TO CUSTOMERS AND ADOPT AMENDED RATE ORDER

Mr. Baker discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are 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. Mr. Baker reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Mr. Baker then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency. After review and discussion, Director Brown moved to authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records. Director Skelton 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 construction of the Water Plant and Well No. 1 Flood Mitigation Project and reported on the operation of the pumps at the water plant, as more fully described in the engineer's report. Mr. Harris stated that IDS continues to monitor the pumps.

WELL NO. 2 FLOOD MITIGATION

Mr. Harris stated that IDS is preparing an engineering proposal for the project.

WELL NO. 3 FLOOD MITIGATION

Mr. Harris stated that IDS is preparing an engineering proposal for the project.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") WATER PLANT AND WELL NO. 3 SITE INSPECTION

Mr. Harris stated that he met with representatives from the U.S. Army Corps of Engineers (the "Corps") to discuss the removal of vegetation at the Water Plant that has been cited by the TCEQ. Discussion ensued. Mr. Harris stated that IDS is preparing a draft letter on Corps letterhead to document the Corps' permission to clear and maintain mow strips at the Water Plant and the Wastewater Treatment Plant ("WWTP"). Mr. Harris added that IDS will obtain bids to clear and dispose of the vegetation for ongoing maintenance of the areas for the Board's review at the next meeting.

WWTP FLOOD MITIGATION

Mr. Harris stated that the contract for the WWTP Motor Control Center project, by and between the District and McDonald Municipal and Industrial, is ready for the Board's execution and that a pre-construction meeting for the project will be held in early January, 2023.

TCEQ WWTP DISCHARGE PERMIT RENEWAL FOR PERMIT TERM 2022-2027

Mr. Harris stated that the TCEQ issued the District's WWTP Discharge Permit effective November 21, 2022.

OFFSITE LIFT STATION FLOOD MITIGATION

There was no discussion on this matter.

SANITARY SEWER REHABILITATION PROGRAM

Mr. Harris stated that IDS would be meeting with Si and that IDS, and Si would then make a joint recommendation for repairs to be performed by Si.

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

There was no discussion on this matter.

HARRIS COUNTY PRECINCT 4 ROADWAY AND TRAIL IMPROVEMENT PROJECTS (THE "IMPROVEMENT PROJECTS")

Mr. Harris stated that Harris County Precinct No. 4 ("Precinct 4") continues to wait for Harris County's Attorney's office to prepare a draft interlocal agreement between the District and the County for the Improvement Projects.

DISTRICT CAPITAL IMPROVEMENT PLAN ("CIP") BUDGET UPDATE

Mr. Harris stated that IDS continues to work on an updated CIP.

GEOGRAPHIC INFORMATION SYSTEM ("GIS")

Director Brown requested that IDS include the Greenbelts' schematic lighting plan in the District's GIS.

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.

Mr. Harris stated that IDS submitted the Engineer's Estimate of Replacement Value to M&W for the insurance renewal proposal.

Following review and discussion, Director Brown moved to approve the engineer's report. Director Skelton seconded the motion, which passed unanimously.

GREENBELT PARK AND GREENBELT NORWALK

LANDSCAPE ARCHITECT'S REPORT

The Board received the Landscape Architect's report, a copy of which is attached.

Ms. Lee updated the Board regarding construction of the Greenbelt Park Trail Lighting Replacement project ("Lighting Replacement Project") and reviewed and recommended final acceptance of the Lighting Replacement Project and approval of Pay Estimate No. 3 in the amount of \$93,303.24, payable to W.W. Payton Corporation ("W.W. Payton").

Ms. Lee reviewed and recommended approval of Change Order No. 1 to the contract with WW Payton for the Lighting Replacement Project to decrease the contract in the amount of \$21,112.46. The Board determined that Change Order No. 1 is beneficial to the District.

Ms. Lee presented and reviewed three concepts for exercise stations in the Greenbelts. Discussion ensued. Director Brown stated that he will follow up with KGA regarding fitness equipment for the exercise stations.

Following review and discussion, Director Skelton moved to (1) based on Ms. Lee's recommendation, approve Pay Estimate No. 3 in the amount of \$93,303.24, and approve final acceptance of the Lighting Replacement Project; and (2) approve Change Order No. 1 in the amount of \$21,112.46 as a decrease to the contract with W.W. Payton, based upon Ms. Lee's recommendation and the Board's finding that the Change Order is beneficial to the District. Director Brown seconded the motion, which passed by unanimous vote.

LANDSCAPE MAINTENANCE REPORT

Director Brown generally reported on matters related to the Greenbelts.

Mr. Van Sant reviewed a Park Maintenance Report from Van Sant, a copy of which is attached, and updated the Board regarding ongoing park maintenance.

Mr. Van Sant then presented and reviewed Exhibit B to the Amended and Restated Service Agreement between the District and Van Sant, which provides for a new annual maintenance expense to the District in the amount of \$146,129.00 ("Exhibit B"). Discussion ensued regarding mulch application, and the Board concurred to pay for mulching pursuant to a separate invoice as soon as Van Sant finishes its second mulch application during a given calendar year. Further discussion ensued regarding maintenance costs for benches and materials, and pricing of the same, for replacing bench slats in the Greenbelts. Mr. Van Sant stated that he will clarify the cost to maintain the benches, and Ms. Lee stated that she will investigate materials and pricing for replacement slats for the benches. Mr. Van Sant stated that he will provide a further revised Exhibit B reflecting the Board's requested revisions for the Board's consideration and approval at the District's next meeting.

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.

PUBLIC POWER POOL ("PPP") TECHNICAL COMMITTEE

Director Hudson updated the Board regarding PPP contract negotiations.

EMERGENCY NOTIFICATION SYSTEM

There was no discussion on this matter.

DISTRICT TECHNOLOGY AND INFORMATION MANAGEMENT MATTERS

There was no discussion on this matter.

WEBSITE MATTERS

There was no discussion on this matter.

EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Mr. Baker stated that pursuant to Chapter 2206.154, Texas Government Code, the District is required to submit a yearly report regarding its eminent domain authority to the Texas Comptroller of Public Accounts. He indicated that the filing had been completed by ABHR.


MEETING SCHEDULE

After review and discussion, the Board concurred to hold its next regular meeting on January 16, 2023, at 11:30 a.m., at the Parklake Village Homeowners Association Clubhouse in the District.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO SEEK THE ADVICE OF ITS ATTORNEY REGARDING PENDING OR CONTEMPLATED LITIGATION OR TO SEEK AND RECEIVE LEGAL ADVICE BY THE DISTRICT'S ATTORNEY

The Board did not convene in executive session.

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


Secretary, Board of Directors



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