

MINUTES
EMERALD FOREST UTILITY DISTRICT

January 8, 2024

The Board of Directors (the "Board") of Emerald Forest Utility District (the "District") met in regular session, open to the public, on the 8th day of January, 2024, 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 Dillard, thus constituting a quorum.

Also present at the meeting were Alyssa Saccomen of McCall Gibson Swedlund Barfoot PLLC; Angie Hartwell of Touchstone District Services ("Touchstone"); Stephanie Viator of District Data Services, Inc.; Sherry Grant of Baxter & Woodman, Inc. ("B&W"); Lonnie Lee of Regional Water Corporation ("RWC"); Debbie Arellano of Bob Leared Interests; and Katie Sherborne and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There was no discussion on this agenda item.

APPROVE MINUTES

The Board considered approving the minutes of the December 11, 2023, regular meeting. After review and discussion, Director Kimball moved to approve the minutes of the December 11, 2023, regular meeting, as submitted. Director Brooks seconded the motion, which passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

The Board considered approving the District's audit report for the fiscal year end September 30, 2023. Ms. Saccomen reviewed a draft of the report with the Board. After review and discussion, Director High moved to approve the audit report, subject to final review. Director Schmidt seconded the motion, which passed unanimously.

WEBSITE AND COMMUNICATION MATTERS

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

GARBAGE COLLECTION AND RECYCLING MATTERS

The Board discussed garbage collection and recycling matters in the District.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Arellano presented the monthly tax report, a copy of which is attached. She stated that 35.9% of the District's 2023 taxes were collected as of December 31, 2023. Ms. Arellano then reviewed the District's delinquent tax roll.

After review and discussion, Director High moved to approve the tax report and payment of the tax bills. Director Schmidt 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 Schmidt moved to accept the disclosure statements from the District's bookkeeper and Investment Officer and to authorize filing with the Texas Ethics Commission. Director High seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

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

ANNUAL CYBERSECURITY TRAINING

Ms. Sherborne 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. Sherborne added that according to the Texas Department of Information Resources the training should be completed by August 31st of each year.

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 87.7%.

After review and discussion, Director High moved to approve the operator's report. Director Brooks seconded the motion, which passed unanimously.

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 High 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 Brooks seconded the motion, which passed unanimously.

UPDATE ON PREPARATION OF BOND APPLICATION

Ms. Grant updated the Board on the preparation of the District's bond application, as reflected in her report.

ENGINEERING MATTERS

Ms. Grant reviewed the engineer's report, a copy of which is attached.

SURFACE WATER, CHLORAMINE CONVERSION, AND BLEACH DISINFECTION CONVERSION

Ms. Grant stated that there were no updates on the preparation of a revised payment request and missing documentation by the North Harris County Regional Water Authority and AECOM.

CYPRESS NORTH HOUSTON ROAD (LOUEDD ROAD) WIDENING

There was no discussion on this agenda item.

FEASIBILITY STUDIES, PLAN REVIEWS, AND UTILITY AVAILABILITY REQUESTS

Ms. Grant updated the Board on the status of the pending plan reviews, service requests, and feasibility studies, as reflected in her report.

Ms. Grant discussed the 1.345-acre Kensinger-Donnelly tract and reminded the Board of the requirement for a grease trap to serve the three existing buildings on the tract, which includes auto service and repair businesses. She stated that the owner does not want to install one large grease trap sized to serve all three buildings and instead is proposing separate grease traps for each building. Ms. Grant stated that B&W recommends the Board require the installation of one large grease trap due to possible access issues if each business had a separate grease trap. After discussion, the Board concurred with B&W's recommendation to require one large grease trap sized for all three buildings. Ms. Grant also noted that the private water well on the site still needs to be plugged.

Ms. Grant updated the Board on the status of preparation of the draft feasibility for the 6.2-acre 7C Jones LLC tract.

CYPRESS GLEN SANITARY SEWER REPAIR PROJECT

Ms. Grant updated the Board on the status of the sanitary sewer and manhole rehabilitation project for Cypress Glen, as reflected in her report. Ms. Grant did not have any Pay Estimates or Change Orders from Texas Pride Utilities, LLC for the Board's approval.

UPDATES TO EMERGENCY PREPAREDNESS PLAN ("EPP") AND EMERGENCY RESPONSE PLAN ("ERP")

Ms. Grant stated that B&W provided the draft updated EPP and ERP to the Board and consultants for review. She stated that B&W has not received any comments, so the ERP and EPP will be finalized and filed with the appropriate entities.

SERVICE LINE INVENTORY FOR LEAD AND COPPER RULE COMPLIANCE

Ms. Grant updated the Board on the preparation of the service line inventory for the Lead and Copper Rule compliance program.

UPDATE REGARDING REQUEST FOR EXCEPTION FROM TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ")

Ms. Grant updated the Board on the status of preparation of the exception request for the missing documentation for water well no. 2. She stated that the District received an email from the TCEQ on December 18, 2023 regarding a notice of enforcement, a copy of which is attached to the engineer's report.

DEEDS, EASEMENTS, AND/OR CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

There was no discussion on this agenda item.

APPROVE ANNEXATION AGREEMENT

There was no discussion on this agenda item.

APPROVE DEVELOPMENT FINANCING AGREEMENT

There was no discussion on this agenda item.

ACCEPT WAIVER OF SPECIAL APPRAISAL

There was no discussion on this agenda item.

APPROVE THIRD ADDENDUM TO WATER SUPPLY AND WASTE DISPOSAL CONTRACT WITH CY-FAIR ISD

There was no discussion on this agenda item.

ATTORNEY'S REPORT

Ms. Sherborne reviewed an Out-of-District Service Agreement with Lala Texas Properties, LLC for the Jones Road Retail Center located at 10950 FM 1960 West, (the "Agreement"). She also reviewed an associated Memorandum of Agreement, which will be recorded in the real property records of Harris County. After review and discussion, Director Schmidt moved to (1) approve the Agreement, subject to final review, and direct that it be filed appropriately and retained in the District's official

records; and (2) authorize execution of the Memorandum of Agreement. Director High seconded the motion, which passed unanimously.

2024 DIRECTORS ELECTION

Ms. Sherborne discussed procedures related to the 2024 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period. Following review and discussion, Director Schmidt moved to adopt a Resolution Designating an Agent of the Secretary of the Board during the 2024 Directors Election Period appointing Jennifer Ramirez as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election and to authorize the agent to post the related notice as required. Director High seconded the motion, which passed unanimously.

Ms. Sherborne reported on requirements to file a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election. Following discussion, Director Schmidt moved to authorize the Secretary's agent to post the notice as required. Director High seconded the motion, which passed unanimously.

Ms. Sherborne stated that the District may contract with Harris County to conduct the District's 2024 Directors Election. After discussion, Director Schmidt moved to contract with Harris County to administer the District's election, if necessary. Director High seconded the motion, which passed unanimously.

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

(SEAL)




Secretary, Board of Directors

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