

BAKER ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

June 7, 2022

The Board of Directors ("Board") of Baker Road Municipal Utility District ("District") met in regular session at the Board's regular meeting place on June 7, 2022, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Frederick Wolfe, President
Johnny Zummo, Secretary
Ronald Leftwich, Assistant Secretary
George Heck, Director

and all of said persons were present, thus constituting a quorum.

Also present were: Richard Rankin of H2O Innovation Operation and Maintenance, LLC ("H2O"); Jessica Preston of Municipal Accounts & Consulting, LP ("MAC"); Miranda Burks of Wheeler & Associates, Inc. ("Wheeler"); Todd Elston of R.G. Miller Engineers, Inc. ("RG Miller"); Juan Campo, a resident of the District; Michelle LaCour and Tracie Andrade of Inframark; and Eric Lai, Daniel Ringold and Maranda Lawson of Schwartz, Page & Harding, L.L.P. ("SPH"), some of whom entered the meeting after the call to order, as noted below.

The President called the meeting to order, and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

Mr. Lai noted that the first item of business was to open the meeting for public comments. There being no comments received from the public, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board reviewed the minutes of its meeting held on May 3, 2022. After discussion of the minutes presented, Director Leftwich moved that such minutes be approved, as written. Director Heck seconded said motion, which unanimously carried.

ACCEPTANCE OF QUALIFICATION STATEMENTS, BONDS, OATHS OF OFFICE, ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION AND AFFIDAVITS OF CURRENT DIRECTOR FOR ELECTED DIRECTORS

The Board next considered the acceptance of Bonds, Qualification Statements of Elected Officer, Oaths of Office, and Affidavits of Current Director for Rick Wolfe and Juan Campo. Messrs. Wolfe and Campo each presented their respective Bond, Qualification Statement of Elected Officer, Oath of Office, and Affidavit of Current Director. After discussion on the

matter, it was moved by Director Heck, seconded by Director Leftwich, and unanimously carried that the Board approve said Bonds, accept said Qualification Statements of Elected Officer, Oaths of Office and Affidavits of Current Director, and declare Rick Wolfe and Juan Campo to be duly elected and qualified Directors of the District.

ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION OF DIRECTORS

The Board considered acceptance of the Elections Not to Disclose Certain Information for elected Directors. In that regard, Directors Wolfe and Campo each presented their Elections Not to Disclose Certain Information. The Board concurred to accept said Elections Not To Disclose Certain Information.

REORGANIZATION OF THE BOARD OF DIRECTORS AND ELECTION OF OFFICERS

The next item to be considered was the election of officers. The Board concurred that Director Wolfe remain President of the Board.

The Board next considered the election of a Vice President. Director Leftwich nominated Director Heck to serve as Secretary of the Board. There being no further nominations for Secretary, the nominations were closed. The President called for a vote, and upon motion duly made by Director Leftwich, seconded by Director Campo and unanimously carried, Director Heck was elected Vice President of the Board.

The Board next considered the election of a Secretary. The Board concurred that Director Zummo remain President of the Board.

The Board next considered the election of an Assistant Secretary. After discussion, Director Heck moved that Director Campo and Leftwich each be elected Assistant Secretaries of the Board. Director Wolfe seconded the motion, which carried unanimously.

DISTRICT REGISTRATION FORM

The Board next considered approving a District Registration Form required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Lai explained that, in accordance with §36.054(e) and §49.054(f) of the Texas Water Code, municipal utility districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty days (30) after an election or appointment. He advised that, with the Board's approval, SPH will complete the District Registration Form to include the elected Directors' new terms of office, mailing addresses and officer positions and file same with the TCEQ. After further discussion of the matter, Director Zummo moved that the Board authorize SPH to complete the District Registration Form as discussed and file same with the TCEQ. Director Heck seconded said motion, which unanimously carried.

LIST OF LOCAL GOVERNMENT OFFICERS

Mr. Lai next reminded the Board that, pursuant to amendments to Chapter 176 of the Texas Local Government Code, the District is required to and does maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers, in connection with statutory changes in conflict of interest disclosure requirements. After discussion on the matter, Director Zummo moved that SPH be authorized to prepare and maintain a list of local government officers on the District's behalf as required by law. Director Heck seconded the motion, which carried unanimously.

GOVERNMENTAL TRAINING REQUIREMENTS

Mr. Lai discussed with the Board the training requirements for public officials in Texas. He advised that public officials, including Directors of the District, must complete separate training courses regarding the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA"). Mr. Lai presented the Directors with a Memorandum prepared by SPH which summarizes the training requirements. A copy of said memorandum is attached hereto as **Exhibit A**. He advised that the deadline for the Directors to complete their training is the 90th day after they either take their respective oaths of office or otherwise assume their responsibilities as a public official. Mr. Lai further noted that it is the responsibility of each Director to ensure that they complete their training by the deadline.

CONFLICTS DISCLOSURE STATEMENT REPORTING REQUIREMENTS

Mr. Lai next discussed with the Board the conflicts disclosure statement reporting requirements for officers of certain local governmental entities, including special district directors, pursuant to Chapter 176 of the Local Government Code. Mr. Lai presented Director Campo with a memorandum prepared by SPH which summarizes the conflicts disclosure requirements. A copy of said memorandum is attached hereto as **Exhibit B**.

OPERATOR'S REPORT

The Board considered the operator's report. Mr. Rankin presented a written Operations Report for the month of May 2022, prepared by H2O, a copy of which is attached hereto as **Exhibit C**. Mr. Rankin informed the Board that a water line leak was recently repaired on Windsor Lakes Dr. and noted that the sidewalk area has been re-poured. Director Wolfe noted that the caution tape in the area needs to be removed.

A discussion next ensued regarding the well no. 2 pump. In connection therewith, Mr. Elston reminded the Board that the operator for Green Trails Municipal Utility District ("GTMUD") recently noticed a wobble of the well no. 2 pump and noted that the pump has been pulled and inspected. Mr. Elston then informed the Board that the inspection indicated that the pump will need to be replaced and noted the replacement pump has been ordered, but is not expected to be available until August 2022. Mr. Elston additionally noted that GTMUD is looking into the possibility of renting a temporary pump for the time being.

Director Wolfe reminded the Board that GTMUD is planning to recoat the ground storage tank this fall and that water will be supplied by Mason Creek Utility District during that time. He then informed the Board that GTMUD is looking into the possibility of raising its water rates that charges its constituents.

Director Wolfe next asked various questions regarding H2O's most recent invoices, to which Mr. Rankin responded.

BOOKKEEPER'S REPORT

The Board considered the Bookkeeper's Report dated June 7, 2022. Ms. Preston reviewed with the Board a cash flow report, account balances report, summary of pledged securities, and actual vs. budget comparison, all as prepared by MAC and copies of which are attached hereto as **Exhibit D**, including the checks presented for payment from the District's general operating fund. It was then moved by Director Zummo that said report be approved and that the checks identified therein be approved for payment from the general operating fund. Director Heck seconded said motion, which carried unanimously.

Ms. Preston presented and reviewed with the Board a Quarterly Investment Inventory Report prepared by MA&C for the reporting period ending April 30, 2022, a copy of which is included as part of **Exhibit D**. After discussion concerning the report presented, it was moved by Director Zummo that said report be approved and that the District's Investment Officer be authorized to execute said Quarterly Investment Inventory Report on behalf of the Board and District. Director Heck seconded said motion, which carried unanimously.

Ms. Preston exited the meeting at this time.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Burks presented the Tax Assessor-Collector's Report prepared by Wheeler for the month of May 2022, including the checks presented for payment. A copy of the report is attached hereto as **Exhibit E**. After discussion on the matter, Director Zummo moved that the Tax Assessor-Collector's Report be approved, and that payment of the checks listed in the report be authorized from the District's tax account. Director Heck seconded the motion, which unanimously carried.

Ms. LaCour and Ms. Andrade entered the meeting at this time and Ms. Burks exited the meeting at this time.

PROPOSAL FOR BOOKKEEPING SERVICES

Discussion ensued regarding the proposal presented by Inframark for bookkeeping services. In connection therewith, the Board asked various questions, to which Ms. LaCour and Ms. Andrade responded. After further discussion, the Board deferred taking any action at this time.

Mr. Ringold exited the meeting at this time.

RECORDS DESTRUCTION REQUEST OF BOARD OF DIRECTORS MEETING NOTES

The Board next considered a request from the District's Records Management Officer to destroy SPH's notes of Board meetings from February 2, 2021 to February 1, 2022, a copy of the subject request being attached hereto as **Exhibit F**. After discussion on the matter, Director Heck moved that the destruction of said notes be authorized as requested in accordance with the provisions of the District's Records Management Program and applicable Records Retention Schedule. Director Leftwich seconded said motion, which unanimously carried.

PROPOSED PICKLEBALL COURTS

Relative to the proposed construction of pickleball courts on the pipeline easement, Mr. Lai reminded the Board that, as previously authorized, SPH prepared and forwarded correspondence to Kinder Morgan regarding the alternate location for said pickleball courts and noted that no response had been received to date. A discussion then ensued regarding same. After further discussion, Director Zummo moved that SPH be authorized to send a follow-up letter to Kinder Morgan if a response is not received prior to its August 2022 meeting. Director Campo seconded the motion, which carried by a vote of three (3) in favor and two (2) opposed, with Directors Zummo, Campo and Leftwich being in favor and Directors Wolfe and Heck being opposed.

Ms. LaCour and Ms. Andrade exited the meeting during the above discussion.

DELINQUENT TAX COLLECTION ATTORNEY'S REPORT

Mr. Lai presented to and reviewed with the Board a Delinquent Tax Report, dated May 3, 2022, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), the District's delinquent tax collection attorneys, a copy of which is attached hereto as **Exhibit G**. Mr. Lai noted that no action is required from the Board at this time relative to the account(s) listed on the Report. A discussion then ensued regarding the possibility of authorizing Perdue to move delinquent tax account listed on the report in the amount of \$15.54 to the uncollectible roll. After discussion on the matter, Director Zummo moved that the Board authorize Perdue to move said delinquent tax account in the amount of \$15.54 to the uncollectible roll. Director Wolfe seconded said motion, which carried unanimously.

ENGINEER'S REPORT

Mr. Elston reminded the Board that Harris County Municipal Utility District No. 345 is moving forward with purchasing and installing a generator at the Joint Wastewater Treatment Plant and noted that the project is expected to go out for bids toward the end of this year.

LAKE MAINTENANCE

A discussion next ensued regarding maintenance of the District's lakes. In connection therewith, Director Zummo informed the Board that some bass are expected to be added to the District's lakes as soon as Thursday of this week.

STATUS OF LAWSUIT AGAINST U.S. ARMY CORPS OF ENGINEER

Mr. Lai updated the Board regarding the status of the lawsuit against the U.S. Army Corps of Engineers. In connection therewith, he noted that he had nothing new to report at this time

ISSUANCE OF UTILITY COMMITMENTS

The Board next deferred action regarding the issuance of utility commitments, as no requests for same had been received by the District.

AUTHORIZATION OF COMPLETION, EXECUTION AND FILING OF VOTING SYSTEM ANNUAL FILING FORM

Mr. Lai next discussed for the Board's information and approval a Voting System Annual Filing Form ("Form") from the Secretary of State's Office. He advised that pursuant to Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's Office. After discussion on the Form, Director Zummo moved that same be approved and that SPH be authorized to file same with the Secretary of State's Office, as required by law. Director Heck seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

Mr. Lai next presented to and reviewed with the Board a brochure received from the Texas Commission on Environmental Quality regarding a Public Drinking Water Conference to be held August 9-10, 2022, a copy of which brochure is included with **Exhibit H**.

Mr. Lai next presented to and reviewed with the Board correspondence received from the Texas Rural Water Association regarding its membership services offered, a copy of which correspondence is attached hereto as **Exhibit H**. After discussion, the Board concurred that it is not interested in participating at this time.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Zummo, seconded by Director Heck, and unanimously carried, the meeting was adjourned.

Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Memorandum regarding Open Meetings Act and Texas Public Information Act
- Exhibit B Memorandum regarding conflicts disclosure requirements
- Exhibit C Operator's Report
- Exhibit D Bookkeeper's Report
- Exhibit E Tax Assessor-Collector's Report
- Exhibit F Records Destruction Request
- Exhibit G Delinquent Tax Report
- Exhibit H Public Drinking Water Conference brochure; correspondence from Texas Rural Water Association

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