

BAKER ROAD MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors

April 4, 2023

The Board of Directors ("Board") of Baker Road Municipal Utility District ("District") met in regular session at the Board's regular meeting place on April 4, 2023, 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
George Heck, Vice President
Johnny Zummo, Secretary
Ronald Leftwich, Assistant Secretary
Juan Campo, Assistant Secretary

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

Also present were: Brenda Landin of H2O Innovation Operation and Maintenance, LLC ("H2O"); Miranda Burks of Wheeler & Associates, Inc. ("Wheeler"); Todd Elston of R.G. Miller Engineers, Inc. ("RG Miller"); Michele LaCour of Inframark ("Inframark"); and Eric Lai and Maranda Lawson of Schwartz, Page & Harding, L.L.P. ("SPH").

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 February 7, 2023. After discussion of the minutes presented, Director Zummo moved that such minutes be approved, as written. Director Campo seconded said motion, which unanimously carried.

AUDIT REPORT FOR FISCAL YEAR ENDED JANUARY 31, 2023

The Board deferred the review and approval of the District's audit report for fiscal year ended January 31, 2023, until the next meeting.

CONTINUING DISCLOSURE REPORT

The Board deferred consideration of the status of the District's annual continuing disclosure report until the next meeting.

BOOKKEEPER'S REPORT

The Board deferred consideration of the Bookkeeper's Report after noting that no report was available at this time due to technological issues at Inframark's offices.

RESOLUTION AUTHORIZING ELECTRONIC TRANSFER OF FUNDS FOR DIRECTOR PER DIEMS AND EXPESNE REIMBURSEMENTS

Mr. Lai next presented to and reviewed with the Board a Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and Expense Reimbursements. A copy of the Resolution is attached hereto as **Exhibit A**. After discussion, Director Wolfe moved that said Resolution be approved and that the President and Secretary be authorized to execute same on behalf of the Board and the District. Director Heck seconded the motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Burks presented the Tax Assessor-Collector's Report prepared by Wheeler for the month of March 2023, including the checks presented for payment. A copy of the report is attached hereto as **Exhibit B**. 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.

DELINQUENT TAX COLLECTION ATTORNEY'S REPORT

The Board deferred consideration of a Delinquent Tax Collection Attorney's Report at this time after noting that no report was received this month.

RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Lai advised that the Board is authorized to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on real property taxes that remain delinquent as of July 1 of the year in which they become delinquent. After discussion, it was moved by Director Leftwich, seconded by Director Heck, and unanimously carried that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, attached hereto as **Exhibit C**, be adopted by the Board.

Ms. Burks exited the meeting at this time.

PROPOSED PICKLEBALL COURTS

Relative to the proposed construction of pickleball courts within the District, Director Wolfe informed the Board that the construction of the pickleball courts has been tabled permanently until further notice.

PROPOSED DOG PARK

Director Wolfe next informed the Board that the Windsor Park Lakes Homeowners Association ("HOA") is considering the installation of a wrought iron fence east of the pool to create a dog park that would encroach on the Kinder Morgan pipeline easement. After discussion, the Board concurred that it is amenable to the installation of the fence for the dog park and requested that an item be added to the next agenda to consider an amendment to the District's current Surface Use and Indemnification Agreement with the HOA related thereto.

OPERATOR'S REPORT

The Board considered the operator's report. Ms. Landin presented a written Operations Report for the month of March 2023, prepared by H2O, a copy of which is attached hereto as **Exhibit D**.

Ms. Landin presented and reviewed with the Board email correspondence received from a customer seeking an adjustment to their account in connection with higher than usual charges resulting from pool equipment failure. She advised that the resident has made the necessary repair and is requesting a credit to their account based on historical consumption. After discussion on the matter, Director Zummo moved that the customer be charged an amount equal to the total water usage, but that all usage for the period be billed at the lowest billing tier rate in lieu of the escalated tiers of the District's Rate Order, and that the resident be notified of same. The motion was seconded by Director Campo and carried by unanimous vote.

Ms. Landin next informed the Board that the District's annual directional flushing of the fire hydrants is being performed today.

Ms. Landin next reminded the Board that the lift pump at lift station no. 2 recently went down and is in need of repair or replacement. She then informed the Board that, as authorized at the last meeting, H2O repaired the pump at a cost of \$13,700.

Director Wolfe next informed the Board that there have been several vehicles stolen from the Windsor Park Lakes subdivision recently and noted that there are some areas where individuals are gaining access to the subdivision to commit the crimes. Director Wolfe then discussed with the Board the possibility of installing motion sensor lights in certain areas around the District to deter criminal activity. After discussion, the Board concurred that it is amenable to installing the motion sensor lighting in various areas around the District in an effort to deter criminal activity.

AUTHORIZE PREPARATION OF CONSUMER CONFIDENCE REPORT

The Board considered authorizing H2O to prepare the District's annual Consumer Confidence Report ("CCR"), the format of which is dictated by the Texas Commission on Environmental Quality ("TCEQ"). After discussion on the matter, Director Zummo moved that H2O be authorized to prepare said CCR for the Board's and SPH's review. Director Heck seconded the motion, which unanimously carried.

IDENTITY THEFT PREVENTION PROGRAM

The Board considered review of the District's Identity Theft Prevention Program (the "Program"). In connection therewith, Ms. Landin presented H2O's annual report and advised the Board regarding the District's experience with identity theft during the prior year, current identity theft prevention methods, the types of accounts maintained by the District and the District's business arrangements with other entities. Ms. Landin stated that H2O recommends that no changes be made to the Program. After discussion on the matter, Director Zummo moved that no changes were necessary to the Program at this time. Director Heck seconded the 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 that the project recently went out for bids. He then reminded the Board that the bids came in approximately \$100,000 less than expected and that the generator is not expected to be delivered until the end of 2023.

Director Wolfe next informed the Board that he recently spoke to the Harris County Precinct 4 ("Precinct 4") representative regarding the recent ponding issue in Trietsch Park due to a leak in the irrigation system maintained and operated by Harris County and the excessive water usage due to said leak. In connection therewith, Ms. Landin informed the Board that the leak has not yet been repaired but noted that the water meter is currently off.

Director Wolfe then informed the Board that he also spoke to the Precinct 4 representative regarding maintenance of the roadside drainage ditches along Baker Road. He noted that Harris County recently surveyed and staked both sides of the ditch and that he is hopeful that the drainage ditches will be mowed in the near future.

ANNUAL REVIEW OF WAGE RATE SCALE

Mr. Lai next presented to the Board for review and approval a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as **Exhibit E**. He reviewed various provisions of the Resolution with the Board. Mr. Lai informed the Board that the District previously adopted the Department of Labor's wage rates, and noted that SPH is recommending that the District adopt the Department of Labor's updated wage rates

and discussed same in detail with the Board. After discussion and consideration of the proposed Resolution, Director Zummo moved that the Board adopt the Resolution with Exhibit "A" to same reflecting the updated wage rates for the Department of Labor and that the President and Secretary be authorized to execute same on behalf of the Board and the District. Director Heck seconded said motion, which unanimously carried.

DRAINAGE CHANNEL MAINTENANCE

A discussion ensued regarding maintenance of the drainage channel. No action was taken by the Board.

LAKE MAINTENANCE

A discussion next ensued regarding maintenance of the District's lakes. In connection therewith, Director Wolfe informed the Board that two of the lake fountains recently stopped working and were in need of replacement. He then informed the Board that he authorized Lake Pro, Inc. to purchase and install two (2) new fountains at a cost of \$13,806.50 and \$14,576.50, respectively. Mr. Lai then requested that the Board consider ratifying said action. After discussion, Director Zummo moved that said action be ratified in all respects. Director Campo seconded the motion, which carried unanimously. Director Wolfe noted that there are several other fountains that Lake Pro, Inc. is keeping an eye on that will most likely need to be replaced in the near future.

Director Zummo next advised the Board that he recommends authorizing Lake Pro to purchase 150 pounds of Golden Shiners at an estimated cost of \$1,500.00 to be added to the lakes later this month. After discussion, Director Leftwich moved that the Board authorize Lake Pro to purchase Golden Shiners to be added to the lakes, as recommended by Director Zummo. Director Heck seconded the motion, which carried unanimously.

FIRST AMENDMENT TO GENERAL SERVICE AGREEMENT WITH LAKE PRO

Mr. Lai next presented to and reviewed with the Board a First Amendment to General Service Agreement ("First Amendment") between the District and Lake Pro relative to an increase to the monthly charge from \$2,000 to \$2,200. After discussion on the matter, Director Heck moved that (i) said First Amendment be approved and that the President be authorized to execute same on behalf of the Board and the District and (ii) SPH be authorized to acknowledge receipt of the required Texas Ethics Commission Form 1295 provided by Lake Pro for said First Amendment. Director Campo seconded the motion, which carried unanimously.

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 and reminded the Board that the trial court's ruling had been appealed and that a decision from the appellate court was still pending.

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.

ATTORNEY'S REPORT

Mr. Lai informed the Board that he had nothing more of a legal nature

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.



John Zummo
Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and Expense Reimbursements
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit D Operator's Report
- Exhibit E Resolution Adopting Prevailing Wage Rate Scale