

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

AUGUST 12, 2024

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 537 §

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 537 (the “District”), noticed a regular session open to the public, to be held at 12:00 p.m., on Monday, August 12, 2024, at 1980 Post Oak Blvd, Suite 1380, Houston, Texas 77056, a designated meeting place located outside the boundaries of the District. Whereupon, at 12:03 p.m., the meeting was called to order and the roll was called of the members of the Board, to wit:

Allen Watson	-	President
Jim Balock	-	Vice President
Anthony Sartori	-	Secretary
Nancy Turner	-	Assistant Secretary
Francine Stefan	-	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Copies of the notices of the meeting are attached hereto.

Also attending the meeting were Tiffany Carden of L & S District Services (“L & S”), Bookkeeper for the District; Odette Newman of Bob Leared Interests, Tax Assessor/Collector for the District; James Lott, P.E. of BGE, Engineers for the District; Jaison Sanwald of SiEnvironmental, LLC (“SiEnviro”), Operator for the District; Justin Waggoner of Touchstone, website consultant for the District; Zachary Smith of Lake Management Services (“LMS”); Joshua J. Kahn, Deidra Daniels (Paralegal) and Ava Leigh Bryan (Legal Assistant) of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), Attorneys for the District; and Neville Henry (President) and David Villareal (Director) members of the Somerset Green Homeowner’s Association Board (HOA); and the following Members of the Public: Saagar Grover and Marco Galarza.

HEAR FROM PUBLIC

The Board noted that no Public wished to address the Board.

APPROVE MINUTES OF MEETING JUNE 10, 2024

The Board reviewed the proposed minutes of the meeting of the Board held June 10, 2024, copies of which were previously distributed to the Board.

Upon motion by Director Balock, seconded by Director Turner, and after full discussion, the Board voted unanimously to approve such Minutes, as submitted.

GREEN FOR LIFE REPORT

The Board recognized Mr. Kahn, who on behalf of GFL, presented to and reviewed with the Board the Customer Service Report. Mr. Kahn also shared with the Board that GFL submitted the curb damage claim to its insurance carrier and agreed to provide a \$6,000 credit for the curb damage caused by the garbage trucks. The Board noted that the HOA would be coordinating the curb repairs. After discussion, it was the consensus of the Board that, upon receipt of the GFL credit, \$6,000 would be paid by the District to Somerset Green HOA for payment of the curb repairs.

The Board noted that no action was necessary in connection with the Report.

WEBSITE REPORT

The Board recognized Mr. Waggoner, who presented to and reviewed with the Board the Website Report

The Board noted that no action was necessary in connection with the Website Report.

FINANCIAL ADVISOR'S REPORT

No report was offered. Mr. Kahn noted that the financial advisor would attend the next Board meeting to provide a tax rate recommendation to begin the process of setting the District's 2024 tax rate.

TAX ASSESSOR-COLLECTOR'S REPORT

The Board recognized Ms. Newman, who reviewed with the Board the Tax Assessor/Collector's Report. She noted that they expect to receive the 2024 certified assessed valuation from Harris County Appraisal District on August 26th.

Upon motion by Director Balock, seconded by Director Stefan, and after full discussion, the Board voted unanimously to (1) approve the Tax Assessor/Collector's Report; and (2) authorize payment of the tax checks listed therein.

BOOKKEEPER'S REPORT

The Board recognized Ms. Carden, who submitted to and reviewed with the Board the Bookkeeper's Report, payment of invoices, and Investment Report, copies of which are attached hereto.

The Board next discussed payment of the District's 20.7% share of the basic mowing maintenance provided by HLS to the Somerset Green HOA. The Board discussed issuing the following payments to the HOA: (1) the amount of \$23,428.87 for unpaid budgets amounts from fiscal years ending May 31, 2021, through May 31, 2024; (2) the amount of \$22,000.00 for the amount budgeted for fiscal year ending May 31, 2025; (3) a separate payment in the amount of \$8,300 for incidentals incurred during fiscal years ending 2021 through 2025. The payments total an amount of \$53,728.87. The Board noted no more payments will be made to the HOA until June 2025 (for the period of fiscal year June 1, 2025, through May 31, 2026).

Upon motion by Director Stefan, seconded by Director Watson, and after full discussion, the Board voted unanimously to approve (1) the Bookkeeper's Report, (2) payment of invoices, (3) Investment Report, and (4) the payments to the HOA totaling an amount of \$53,728.87, as listed above.

OPERATOR'S REPORT

The Board recognized Mr. Sanwald, who submitted to and reviewed with the Board the Operator's Report, a copy of which is attached hereto. Mr. Sanwald noted that the alleged TCEQ

violation regarding pressure from August 2023 had been resolved and data was sent to the TCEQ showing there were no drops in pressure below 35 PSI. He also updated the Board that the meter replacement list has been completed and a total of 28 meters were replaced. The Board next discussed electronic meter reading technology and inquired about obtaining a cost analysis on the cost of manual meter reads versus electronic reads. Mr. Sanwald stated he would reach out to manufacturers to get pricing information and share his findings with the Board at their next Board meeting.

Upon motion by Director Sartori, seconded by Director Balock, and after full discussion, the Board voted unanimously to approve the Operator's Report, as presented.

ENGINEER'S REPORT

The Board recognized Mr. Lott, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto. Mr. Lott noted that, during the month of July, average water pressure within the District was 45.8 PSI, with a minimum of 37.8 PSI and a maximum of 52.18 PSI. Mr. Lott also noted he is waiting to receive a revised proposal for the repair of three (3) curbs damaged by GFL trash trucks.

The Board noted that no action was necessary in connection with the Engineer's Report.

WATER PRESSURE IN DISTRICT

The Board recognized Director Watson, who advised that the District's Attorneys and Engineers are continuing to work on property acquisition for a proposed water repressurization system.

GROUNDWATER USE AND CREDITS

The Board recognized Mr. Smith, who reviewed with the Board the Groundwater Credit Report. He noted that the District's well permit was renewed at the end of May 2024.

The Board noted that no action was necessary.

HOA AND DISTRICT RESPONSIBILITIES

The Board next discussed the different responsibilities required by HOA and the District. Director Watson noted at the next Board meeting there will be a detailed discussion to further understand what is expected of the HOA and the District and a responsibility chart will be created and shared on the District website mitigate confusion.

The Board noted no action was needed.

ATTORNEY'S REPORT

Adopt Order Designating Administrative Office and Meeting Place(s) Inside and Outside the District and Authorize Publication of Notice

Mr. Kahn presented to and reviewed with the Board an Order Designating Administrative Office and Meeting Place(s) Inside and Outside the District. He stated that SK Law will be moving to 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056 on October 1, 2024.

Upon motion by Director Stefan, seconded by Director Turner, and after full discussion, the Board voted unanimously to adopt the Order Designating Administrative Office and Meeting Place(s) Inside and Outside the District, thereby designating 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056 as the new administrative office for the District and designating 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056, as additional meeting places outside the District, effective October 1, 2024. By the same motion, the Board voted unanimously to authorize publication of a Notice of the same in a newspaper of general circulation in Harris County and filing of such Order with the TCEQ.

Future Board Meeting Dates

Mr. Kahn noted that the Board needed to schedule a special meeting to begin the tax rate process. The Board agreed to have their next meetings on Monday September 16, 2024, at 12:00 p.m.; and Monday, October 14, 2024, at 12:00 p.m.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made and seconded, the Board by unanimous vote adjourned the meeting.

PASSED, APPROVED, AND ADOPTED this 16th day of September, 2024.



Nancy E. Jones
Asst. Secretary, Board of Directors