

CERTIFICATE FOR RESOLUTION REGARDING
DELEGATION OF AUTHORITY DUE TO AN EMERGENCY

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY UTILITY DISTRICT NO. 136 §

We, the undersigned officers of the Board of Directors (the “Board”) of Harris County Utility District No. 136 (the “District”), hereby certify as follows:

1. The Board convened in regular session, open to the public, on April 9, 2020, at 6:00 p.m., via teleconference, in compliance with the guidelines approved by the Office of the Governor of the State of Texas upon request of the Office of the Attorney General, temporarily suspending a limited number of open meeting laws to allow telephonic meetings and to avoid congregate settings in physical locations in response to the Corona virus disaster. The roll was called of the members of the Board, to-wit:

Neil Polansky, President
Barry Greer, Vice President
Brent Phelps, Assistant Vice President
Adam Rodriguez, Secretary
Eric Worthington, Assistant Secretary

All members of the Board were present, except the following: _____, thus constituting a quorum. Whereupon among other business, the following was transacted at such Meeting: A written

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was duly introduced for the consideration of the Board and read in full. It was then duly moved and seconded that such Resolution be adopted; and, after due discussion, such motion, carrying with it the adoption of such Order, prevailed and carried by the following votes:

AYES: _____ NOES: _____

2. A true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Resolution has been duly recorded in the Board’s minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board’s minutes of such Meeting pertaining to the adoption of such Resolution; the persons named in the above and foregoing paragraph are the duly chosen qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Resolution would be introduced and considered for adoption at such Meeting; and such Meeting was open to the public, and public notice of the time, teleconference number, and purpose of such Meeting was given, all as required by the guidelines approved by the Office of the Governor of the State of Texas upon request of the Office of the Attorney General, temporarily suspending a

limited number of open meeting laws to allow telephonic meetings and to avoid congregate settings in physical locations in response to the Corona virus disaster.

SIGNED AND SEALED this April 9, 2020.

Secretary, Board of Directors

President, Board of Directors

(DISTRICT SEAL)

RESOLUTION REGARDING DELEGATION OF
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WHEREAS, Harris County Utility District No. 136 (the "District") has been legally created and operates pursuant to the general laws of the State of Texas; and

WHEREAS, a new corona virus (COVID-19) has spread throughout the world, including the United States of America and Texas; and

WHEREAS, the President of the United States has declared a national emergency to combat COVID-19; and

WHEREAS, the Governor of the State of Texas has declared a state of disaster for all counties in Texas and has issued a proclamation certifying that COVID-19 (the "Declared Disaster") poses an imminent threat of disaster in the State; and

WHEREAS, counties and cities throughout Texas have declared emergencies; and

WHEREAS, the District has opened accounts, invested funds, and undertaken such other financial matters as necessary to fulfill the purposes for which it was created; and

WHEREAS, Section 49.151 of the Texas Water Code provides that a district's money may be disbursed only in the following manner: (a) by check, draft, order or other instrument signed by at least a majority of its board of directors; (b) by disbursement signed by the general manager, treasurer, bookkeeper or other employee of the district when authorized by resolution of the board of directors; or (c) by federal reserve wire system or electronic transfers when authorized by resolution of the board of directors; and

WHEREAS, there may arise the need to approve and pay District expenses relating to District services and District contracts during the Declared Disaster without the ability to obtain signatures from a majority of the Board; and

WHEREAS, the Board of Directors of the District (the "Board") has carefully considered the situation and determined that it is in the best interest of the District to approve procedures for disbursements during the Declared Disaster; and

WHEREAS, the District's bookkeeper, F. Matuska, Inc. ("Bookkeeper") has indicated a willingness to develop and follow procedures relating to District expenditures;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. The Board finds an emergency exists which makes a meeting of a quorum of directors in person is difficult or impossible due to the Declared Disaster.

Section 2. The Board appoints the president of the Board, and in the absence of the president, the vice president, and in the absence of the president and the vice president, the secretary of the Board to be the Board's Designee (the "Designee").

Section 3. The Board hereby delegates to the Designee the authority to approve necessary and reasonable District expenditures and authorize necessary District actions between Board meetings (the

“Emergency Actions”). Emergency Actions include the approval of those expenses and actions necessary or convenient to ensure the continued operation of all district facilities and the continued availability of all district services (including but not limited to water, wastewater, drainage, park and recreation, road, and garbage collection services, as applicable) and other responsive actions for which the District has legal authority.

Section 4. The Designee and the District lawyer shall notify the District bookkeeper and operator of all approved Emergency Actions. At the earliest time possible to legally and safely convene a quorum of the Board in person or by telephone in accordance with Open Meetings Guidelines approved by the Governor, the Designee shall present for ratification all Emergency Actions made or taken during such emergency.

Section 5. Effective with passage of this Resolution, the Board authorizes the following employees of the Bookkeeper to sign disbursements of District funds: Rose Montalbano and Fran Matuska (the “Authorized Bookkeeper Signatory(ies).” Disbursements signed by the Authorized Bookkeeper Signatory(ies) may only be made in accordance with the terms of this Resolution.

Section 6. The Board hereby authorizes the Authorized Bookkeeper Signatory(ies) to sign checks of the District only after the following conditions have been satisfied:

- (a) a majority of the Board (“Majority of the Board”) has approved the payment(s) reflected in the check(s) during a lawfully convened telephonic meeting of the Board;
- (b) the check(s) that are approved in accordance with Subsection (a) above are signed by one member of the Board with a previously authorized signature on file with the depository institution where the District’s accounts have been established (the “District’s Bank”); and
- (c) a Majority of the Board has authorized the signature card signed by the Authorized Bookkeeper Signatory(ies) to be filed with the District’s Bank.

If more than one Authorized Bookkeeper Signatory has been designated by the Board, the signature of only one such Authorized Bookkeeper Signatory is required .

Section 7. This Resolution shall not apply to federal reserve wire system or electronic transfers to accounts that are not in the name of the District. Such federal reserve wire system or electronic transfers shall only be made pursuant to an authorization signed by a Majority of the Board.

Section 8. Nothing herein shall limit a Majority of Board members from signing disbursements of District funds, to the extent convenient and practicable. The Bookkeeper will continually coordinate with the Board to determine the best means of disbursing checks.

Section 9. In the event that the Declared Disaster ceases or the contract between the District and Bookkeeper is at any time no longer in effect, then this Resolution shall automatically and immediately terminate, and the Authorized Bookkeeper Signatory(ies) shall not be authorized to sign disbursements as provided in this Resolution. In the event that any Authorized Bookkeeper Signatory(ies) at any time cease to be employed by Bookkeeper, then: (a) automatically and immediately, such Authorized Bookkeeper Signatory(ies) shall not be authorized to sign disbursements as provided in this Resolution; and (b) Bookkeeper shall immediately notify the District and the District’s Bank in writing.

Section 10. In the event the County or City in which the District or the Bookkeeper’s principal place of business is located is under County or City order that prevents the Bookkeeper from being able to arrange for a director to physically sign a check, after conferring with the Designee

and obtaining his/her approval, the Bookkeeper shall be allowed to sign all checks following the approval of the Bookkeeper report by a Majority of the Board.

Section 11. The District may, at its discretion, amend or rescind this Resolution at any time.

Section 12. This Resolution shall be effective as of the date of adoption.

[EXECUTION PAGE FOLLOWS]

PASSED AND APPROVED this _____ day of _____, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)