

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
December 28, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 183 (the "District") met in regular session, open to the public on December 28, 2021, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Rudy Alvarado, President
Anthony (Jerry) Langley, Vice President
Chad Vowell, Secretary
Robert Pollard, Assistant Secretary

all of whom were present, except Director Vowell, thus constituting a quorum.

Also present was Chad Walker of Jones & Carter, Inc. ("J&C"); Trevor Smith of Municipal Accounts & Consulting, L.P. ("MA&C"); Michelle Guerrero of Bob Leared Interests, Inc. ("Leared"); Chris Wilson of Si Environmental, LLC ("SE"); Sergeant Walter Stensland, Deputy Tim Mordecai, and Deputy Martin Lai of the Harris County Sheriff's Office ("HCSO"); Rick O'Loughlin and Dan Mushen, residents of the District; and Gina Free and Sabrina Johnston of Schwartz, Page & Harding, L.L.P. ("SPH").

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

PUBLIC COMMENTS

Sergeant Stensland and Deputy Mordecai discussed various security matters with the Board. Sergeant Stensland then responded to questions from the Board.

Sergeant Stensland, Deputy Mordecai, and Deputy Lai exited the meeting at this time.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board meeting held on November 23, 2021. Following discussion, the Board concurred to defer approval of said minutes.

APPOINTMENT OF NEW DIRECTOR AND ELECTION OF OFFICERS

The Board next considered the appointment of a Director to fill the vacancy on the Board.

Mr. O'Loughlin exited the meeting at this time.

Mr. Mushen introduced himself and discussed his qualification and past experience. He then responded to various questions from the Board.

Mr. Mushen exited the meeting and Mr. O'Loughlin entered the meeting at this time.

Mr. O'Loughlin then discussed his qualification and past experience. He then responded to various questions from the Board.

Mr. Mushen entered the meeting at this time.

The Board concurred to defer further discussion on the matter until the next Board meeting.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero reviewed the Tax Assessor-Collector's Report for the month of November 2021, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the District's Tax Account. After discussion, Director Alvarado moved that the Tax Assessor-Collector's Report be approved and the disbursements identified in the Report be approved for payment from the District's Tax Account. Director Langley seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board deferred consideration of a Delinquent Tax Collections Attorney's Report after noting that no report was received from Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

ENGINEER'S REPORT

Mr. Walker presented to and reviewed with the Board the Engineer's Report dated December 21, 2021, a copy of which is attached hereto as **Exhibit B**, relative to the status of various projects within the District.

The Board next considered the design of the Water Plant No. 1 Diesel Fuel Tank Addition. In connection therewith, Mr. Walker presented to and reviewed with the Board an updated scope memorandum and preliminary cost estimate for said project, a copy of which is included with the Engineering Report. Mr. Walker reminded the Board that it previously authorized J&C to proceed with said project.

UTILITY COMMITMENT LETTERS

Mr. Walker next discussed the proposed 10,000 square foot office and warehouse development located at 5630 Barker Cypress Road. In connection therewith, he presented to and reviewed with the Board a preliminary cost estimate and scope memorandum, a copy of which is included with the Engineering Report. Mr. Walker then requested that the Board consider authorizing J&C to proceed with design of the public sanitary sewer line extension necessary to serve the development, subject to receipt of the requested deposit from the property owner in the amount of \$116,000.

Mr. Walker next advised the Board of a utility commitment request for a proposed retail center to be located at 5240 Barker Cypress Road. He recommended approval of a utility commitment for said development for 600 gallons per day average daily flow sanitary sewer capacity and 720 gallons per day average daily flow water capacity. Mr. Walker further noted that a public sanitary sewer extension will be required to serve the tract. In connection therewith, he presented to a reviewed with the Board a preliminary cost estimate and scope memorandum, a copy of which is included with the Engineering Report. He then requested that the Board authorize J&C to proceed with design of the public sanitary sewer line extension necessary to serve the tract, subject to receipt of the requested deposit from the property owner in the amount of \$112,000.

Mr. Walker then advised the Board of a utility commitment request for a proposed retail strip center to be located at 5734 Barker Cypress Road. He recommended approval of a utility commitment for said development for 2,400 gallons per day average daily flow sanitary sewer capacity and 2,880 gallons per day average daily flow water capacity. Mr. Walker further noted that a public sanitary sewer extension will be required to serve the tract. In connection therewith, he presented to a reviewed with the Board a preliminary cost estimate and scope memorandum, a copy of which is included with the Engineering Report. He then requested that the Board authorize J&C to proceed with design of the public sanitary sewer line extension necessary to serve the tract, subject to receipt of a deposit from the property owner in the amount of \$122,000.

Mr. Walker then advised the Board of a utility commitment request for an additional office building and warehouse building for the Windsong Business Plaza Phase II located at 17939 Kieth Harrow Boulevard. He recommended the Board approve a utility commitment for said development for 1,200 gallons per day average daily flow sanitary sewer capacity and 1,440 gallons per day average daily flow water capacity.

Following discussion, Director Alvarado moved to (i) approve the utility commitment letters for the proposed developments at 5240 Barker Cypress Road, 5734 Barker Cypress Road, and 17939 Kieth Harrow Boulevard, and (ii) authorize J&C to proceed with the design of public sanitary sewer line extensions necessary to serve 5630 Barker Cypress Road, 5240 Barker Cypress Road, and 5734 Barker Cypress Road, subject to receipt of the applicable deposits.

BOOKKEEPER'S REPORT

Mr. Smith presented and reviewed with the Board the Bookkeeper's Report, dated December 28, 2021, a copy of which is attached hereto as **Exhibit C**, including the disbursements presented for payment from the District's various accounts. Following review, Director Alvarado moved that the Bookkeeper's Report be approved, and the disbursements identified therein, be approved for payment, except check no. 10082, which was voided. Director Langley seconded said motion, which carried unanimously. A discussion ensued regarding the District's operating budget. The Board requested that MA&C review the actual versus budget comparison and advise the Board if an amendment to said budget is recommended.

Ms. Guerrero exited the meeting at this time.

OPERATIONS AND MAINTENANCE REPORT

Mr. Wilson then presented to and reviewed with the Board the Operations and Maintenance Report for the month of November 2021, a copy of which is attached hereto as **Exhibit D**. In connection therewith, Mr. Wilson presented the delinquent customer accounts list, a copy of which is attached to the Operations and Maintenance Report. He then requested the Board's authorization to write off the nineteen (19) uncollectible accounts totaling \$4,264.78 listed in the Operations Report.

The Board next considered the billing error discovered by SE prior to last month's Board meeting, and the cost of said error. In connection therewith Mr. Wilson advised the Board that the cost incurred by the District for lost revenue was \$26,678. A discussion ensued regarding same.

Following discussion, Director Alvarado moved to (i) authorize termination of accounts that have been delinquent ninety (90) days or longer pursuant to the District's Rate Order and authorize SE to continue to enter payment plan arrangements with delinquent customers for a time period not to exceed six (6) months, (ii) authorize SE to write off nineteen (19) uncollectible accounts, as requested, and (iii) accept payment from SE for \$13,389.48 for said billing error, to be collected as credits applied to SE's next three invoices, and authorize the President to sign a letter agreement regarding same, subject to SPH review. Director Langley seconded said motion, which carried unanimously.

AMENDMENT TO THE DISTRICT'S RATE ORDER

Mr. Walker next addressed the Board regarding the West Harris County Regional Water Authority ("WHCRWA") surface water fee increase to \$4.10 per 1,000 gallons of water metered, effective January 1, 2022. He then reminded the Board that J&C recommends that the Board amend the District's Rate Order to increase the WHCRWA's surface water fee to \$4.56 per 1,000 gallons of water metered, effective January 1, 2022. Mr. Walker next advised the Board that J&C is recommending that that Board consider adopting the commercial water and sanitary sewer rates for park and recreational facilities. Following discussion, Director Alvarado moved to (i) amend the District's Rate Order as recommended by J&C; (ii) revoke any and all Rate Orders heretofore adopted; and (iii) pass and adopt the Rate Order attached hereto as **Exhibit E** to be effective January 1, 2022, as presented. Director Langley seconded said motion, which carried unanimously.

SECURITY REPORT

Ms. Free presented the security report to the Board, a copy of which is attached hereto as **Exhibit F**. It was noted that no Board action was required at this time.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board next considered the proposed administrative building. In connection therewith, Director Langley presented to and reviewed with the Board pictures of similar building that could be presented to Martinez Architects for planning purposes. It was noted that no Board action was required at this time.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Ms. Free presented to and reviewed with the Board a memorandum received by the District from the West Harris County Regional Water Authorization ("WHCRWA"), a copy of which is attached hereto as **Exhibit G**. Following discussion, Director Alvarado moved to (i) authorize the nomination of Mike Thornhill to the WHCRWA Board of Directors, and (ii) authorize SE to prepare and submit the Water Usage Reporting Form for 2021 usage on behalf of the District.

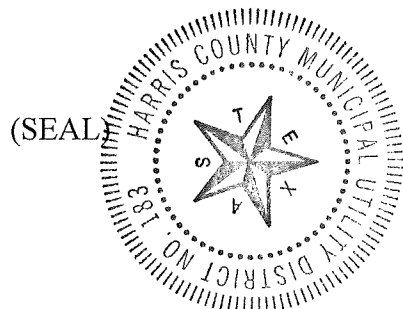
Ms. Free then reported on issues related to the District's Directors Election (the "Election") to be held on May 7, 2022. In connection therewith, Ms. Free presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit H**, regarding (i) participation in the joint election with Harris County (the "County"), (ii) publication of notice regarding accessible voting systems, and (iii) posting of Notice Regarding Candidate Filing Period. Ms. Free advised that the County will administer the Election if the District participates in the County's joint election. She further noted that if the District elects not to contract with the County and to hold an independent Election, Section 49.111, Texas Water Code, provides an exemption from the requirement to provide certain electronic voting systems at the Election if the District's previous directors election was canceled as uncontested or if fewer than 250 voters voted in the District's previous directors election. Ms. Free noted that the District is exempt from said requirement because the District's previous directors election was canceled. Following discussion, it was moved by Director Alvarado, seconded by Director Langley and unanimously carried that SPH be authorized to (i) notify the County of the District's intent to participate in the joint Election, (ii) provide notice of the District's intent not to provide electronic voting systems for said Election by publication in a newspaper of general circulation in an area that includes the District, in case the District subsequently elects to hold an independent Election, and (iii) post the required Notice Regarding Candidate Filing Period.

FUTURE AGENDA ITEMS

The Board did not request any items be place on future agendas other than those already discussed and regular and on-going items.

ADJOURNMENT

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



Secretary, Board of Directors

Harris County Municipal Utility District No. 183
EXHIBITS
December 28, 2021

Exhibit A	Tax Assessor-Collector Report
Exhibit B	Engineer's Report
Exhibit C	Bookkeeper's Report
Exhibit D	Operations and Maintenance Report
Exhibit E	Rate Order effective January 1, 2022
Exhibit F	Security Report
Exhibit G	WHCRWA Memorandum
Exhibit H	Memorandum regarding Directors Election