

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149

### Minutes of Board of Directors Meeting February 21, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 149 (the "District") met in regular session, open to the public on February 21, 2022, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

John R. VanDyke, President  
Stefanie Cline, Vice President  
Margaret Petry, Secretary  
Terrence Stephens, Assistant Secretary  
Randall Kallus, Assistant Secretary

all of said persons were present, except Director Cline, thus constituting a quorum.

Also present were: Michelle Steadman of Inframark, LLC ("Inframark"); Jeffrey Bishop and Hieu Nguyen of Quiddity Engineering LLC ("Quiddity"); Diane Michaux of Municipal Accounts & Consulting, L.P. ("MA&C"); Michelle Guerrero of Bob Leared Interests ("Leared"); Mike Scott of Champions Hydro-Lawn, Inc. ("Champions"); and Matthew Reed, Katie Davis and Kristi Tran-Chin of Schwartz, Page & Harding, L.L.P. ("SPH").

#### PUBLIC COMMENT

The Board began by opening the meeting for public comments. There being no members of the public present, the Board continued to the next item of business.

#### APPROVAL OF MINUTES

The Board reviewed the minutes of its January 17, 2022 regular Board meeting. After review and discussion of the minutes presented, Director Stephens moved that the minutes of the Board's meeting held on January 17, 2022, be approved, as presented. Director Kallus seconded said motion, which unanimously carried.

#### TAX ASSESSOR-COLLECTOR REPORT

Ms. Guerrero presented to and reviewed with the Board the Tax Assessor-Collector's Report, dated January 31, 2022, a copy of which is attached hereto as Exhibit A. After discussion on the report, Director Petry moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Stephens seconded said motion, which unanimously carried.

CONSIDER ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2022 TAX YEAR

Mr. Reed reminded the Board of the procedures applicable to the adoption of the District's tax rate will depend, in part, upon whether the District is determined to be a "Developed District" under Texas Water Code Section 49.23602. Mr. Reed then reviewed with the Board a worksheet completed by Quiddity to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2022 Tax Year. A copy of the Resolution is attached hereto as Exhibit B. Following discussion, upon motion made by Director Petry, seconded by Director Kallus, and unanimously carried, the attached Resolution indicating that the district meets the criteria of a "Developing District" was adopted by the Board.

DELINQUENT TAX ATTORNEY'S REPORT

The Board deferred consideration of the Delinquent Tax Attorney's Report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), after noting that there is no report for the month of February.

REVIEW OF RENEWAL PROPOSAL FOR DISTRICT INSURANCE COVERAGES

The Board considered renewal of the District's insurance policies. In connection therewith, Mr. Reed presented to and reviewed with the Board an insurance proposal received from the District's current insurance provider, McDonald & Wessendorff ("McDonald"), relative to the renewal of the District's insurance policies and bonds, for a term expiring on March 31, 2023. After discussion on the matter, Director Petry moved that McDonald's proposal, a copy of which is attached hereto as Exhibit C, be accepted. Director Stephens seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Michaux presented to and reviewed with the Board the Bookkeeping Report, dated February 21, 2022, including the checks presented for payment, a copy of which is attached hereto as Exhibit D. After discussion on the matter, it was moved by Director Petry that said report be approved, and that the disbursements identified therein be approved for payment, except check no. 14144, which was voided. Director Stephens seconded said motion, which unanimously carried.

Ms. Michaux also presented to and reviewed with the Board a Quarterly Investment Inventory Report for the period ending December 31, 2021, a copy of which is attached to the bookkeeping report. Upon review, Director Petry moved that the Quarterly Investment Inventory Report be approved, as presented. Director Stephens seconded said motion, which unanimously carried.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board considered the review of an annual survey of prevailing wage rates for construction projects and the adoption of a Resolution in connection therewith. In that regard, Mr. Reed reported that SPH is recommending that the District continue to adopt the prevailing wage rate scales for Harris County as determined by the United States Department of Labor ("DOL"), in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a *et seq.*). After discussion on the matter, Director Stephens moved that the DOL wage rate scales for Harris County be adopted as the District's wage rate scale for construction projects, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, which Resolution is attached hereto as Exhibit E, be adopted by the Board. Director Petry seconded said motion, which unanimously carried.

OPERATOR'S REPORT

Ms. Steadman presented to and reviewed with the Board the Operator's Report for the month of January 2022, a copy of which is attached hereto as Exhibit F.

Ms. Steadman then presented to and reviewed with the Board the list of delinquent accounts for the prior month. She requested authorization to move four (4) accounts to collections in the total amount of \$512.98 and write-off one (1) account in the amount of \$13.05. Upon discussion, Director Kallus moved that Inframark be authorized to write-off and forward said accounts to collections, as requested. Director Petry seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Bishop presented to and reviewed with the Board a written Engineer's Report, dated February 16, 2022, a copy of which is attached hereto as Exhibit G, relative to the status of various projects within the District.

Mr. Bishop updated the Board regarding the Wastewater Treatment Plant Replacement Project (the "Project"). He reported that Pay Estimate No. 6 in the amount of \$199,795.50 was received from CSA Construction, Inc., ("CSA") for the Project, and recommended that the Board approve same. Upon discussion, Director Petry moved that Pay Estimate No. 6 from CSA in the amount of \$199,795.50 be approved, as recommended by Quiddity. Director Stephens seconded said motion, which unanimously carried.

A discussion next ensued regarding color selection of the proposed Motor Control Center and Chemical Buildings. After discussion, Director Petry moved that Quiddity be authorize to proceed with gray tones for the buildings' exterior brick and doors, as discussed. Director Stephens seconded said motion, which unanimously carried.

Mr. Bishop presented and reviewed with the Board a preliminary cost estimate for the Sanitary Sewer Cleaning and Televising Project ("Sanitary Sewer Project"), a copy of which is included with Exhibit G, and requested authorization of same. After consideration, upon motion made by Director Petry, seconded by Director Stephens, and unanimously carried, the Board authorized Quiddity to proceed with the Sanitary Sewer Project, at a cost of \$235,000, as requested. It was noted that the District can pay the cost of same through the District's operating account, and consider reimbursement of the operating account at a later date with surplus construction funds.

Mr. Bishop then presented and reviewed with the Board a Wastewater Lift Station Facilities Inspection Report, a copy of which is attached hereto as Exhibit H. He then responded to questions from the Board. Mr. Bishop informed the Board that the improvements listed within the report are minor, and can be repaired by the District operator. He then advised the Board that Quiddity will present same to Harris County Municipal Utility District No. 257 ("No. 257").

Mr. Bishop next presented to and reviewed with the Board correspondence from Sandlot Engineering, LLC ("Sandlot"), a copy of which is included with Exhibit I. He noted Sandlot has requested, on behalf of its owner, Quick N Clean Carwash ("Quick N Clean") a utility commitment from the District for a proposed carwash, located at 16746 FM 529, Houston, Texas. Mr. Bishop then advised that the District has sufficient capacity to serve the retail development and that Quiddity recommends the utility commitment request be approved. After further discussion on the matter, Director Petry moved that said utility commitment request be approved by the Board and District and that the President be authorized to execute a utility commitment in accordance with the foregoing, subject to Quick N Clean paying its outstanding taxes for year 2021. Director Stephens seconded said motion, which unanimously carried.

Mr. Bishop then presented to and reviewed with the Board correspondence from Mission Engineering Inc. ("Mission"), a copy of which is included with Exhibit J. He noted Mission has requested, on behalf of its owner, Phanlac LLC ("Phanlac") a utility commitment from the District for a proposed office complex development, located on a 3.709-acres tract on the north side of FM 529 Road, approximately 1,000 LF west of Sommerall Drive. Mr. Bishop then advised that the District has sufficient capacity to serve the retail development and that Quiddity recommends the utility commitment request be approved. After further discussion on the matter, Director Petry moved that said utility commitment request be approved by the Board and District and that the President be authorized to execute a utility commitment in accordance with the foregoing, subject to Champions performing the Detention Pond expansion, as discussed. Director Stephens seconded said motion, which unanimously carried.

#### CHAMPIONS HYDRO-LAWN, INC. ("CHAMPIONS")

Mr. Scott presented to and reviewed with the Board Champions' report dated February 21, 2022, a copy of which is attached hereto as Exhibit K. A discussion ensued regarding a metal structure on page 4 of the report. After discussion, the Board concurred to request Champions to remove same and invoice the District for said removal.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY (“AUTHORITY”)

Director VanDyke reported to the Board regarding the activities of the Authority.

ATTORNEY'S REPORT

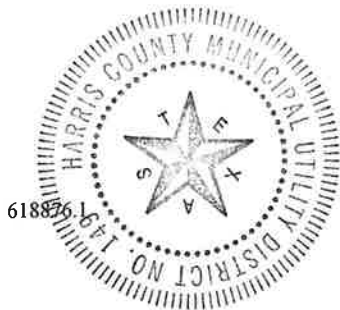
The Board next considered the Attorney's Report. Mr. Reed updated the Board regarding the billing discrepancy with No. 257 regarding the Joint Water Plant and Joint Wastewater Treatment Plant. He noted that a potential special meeting and joint meeting with No. 257 to discuss same will take place in the near future.

EXECUTIVE SESSION

The Board determined it would not be necessary to enter into Closed Session pursuant to Texas Government Code Section 551.071.

FUTURE AGENDA ITEMS

There being no further business to come before the Board, Director Kallus moved that the meeting be adjourned. Director Petry seconded said motion, which unanimously carried.



  
Secretary, Board of Directors

EXHIBITS  
February 21, 2022

- A. Tax Assessor-Collector Report
- B. Resolution Concerning Developed District Status for the 2022 Tax Year
- C. McDonald & Wessendorff proposal for term 2022 – 2023
- D. Bookkeeper's Report
- E. Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- F. Operator's Report
- G. Engineer's Report
- H. Wastewater Lift Station Facilities Inspection Report
- I. Capacity Request from Quick N Clean Carwash
- J. Capacity request from Phanlac LLC
- K. Champions Hydro-Lawn Report