

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

February 9, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 147 (the "District") met in regular session, open to the public, on the 9th day of February, 2021, at 777 North Eldridge Parkway, Suite 500, Houston, Texas 77079 outside the boundaries of the District, and the roll was called of the members of the Board:

David E. Bugyi	President
Kay L. Pugh	Vice President
Mary L. Purzer	Secretary
Michelle Miller	Assistant Secretary
Vacant	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Jolie Craft of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Stephanie Viator of District Data Services, Inc. ("District Data"); Clay Brandenburg of Inframark Water & Infrastructure Services ("Inframark"); and Whitney Higgins and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the January 12, 2022, regular meeting and the minutes of the January 10, 2022, special meeting. After review and discussion, Director Miller moved to approve the minutes of the January 12, 2022, regular meeting and the minutes of the January 10, 2022, special meeting, as submitted. Director Pugh seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

Director Bugyi offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Bugyi moved to the next agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Viator reviewed the bookkeeper's report, including the District's investments, a budget comparison, and a list of checks presented for approval, a copy of which is attached. Discussion ensued.

The Board conducted its annual review of the District's Investment Policy, and Ms. Higgins stated that neither ABHR nor the bookkeeper have any recommended changes. After review and discussion, Director Pugh made a motion to adopt a Resolution Regarding Annual Review of Investment Policy and to direct that a copy of the resolution be filed and retained in the District's records. Director Purzer seconded the motion, which passed unanimously.

Ms. Higgins reviewed a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. She stated the District's bookkeeper has provided an updated list of qualified broker/dealers with whom the District may engage in investment transactions as an exhibit to the Resolution. After review and discussion, Director Purzer moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Pugh seconded the motion, which passed unanimously.

The Board then discussed the Association of Water Board Directors ("AWBD") winter conference. Ms. Viator noted the expenses were submitted in accordance with the District's travel guidelines.

Following review and discussion, Director Purzer moved to (1) approve the bookkeeper's report and authorize payment of the District's bills; and (2) approve reimbursement of eligible expenses for the winter conference and to authorize all interested directors to attend the AWBD summer conference. Director Pugh seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez reviewed the tax assessor/collector's report, including the list of top delinquent taxpayers, a copy of which is attached. Discussion ensued. After review and discussion, Director Miller moved to approve the tax assessor/collector's report and payment of the tax bills. Director Pugh seconded the motion, which passed unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed the District's tax rate exemptions, and the Board considered adopting a Resolution Concerning Exemption from Taxation (the "Resolution"). Ms. Higgins stated the District currently offers a \$10,000 exemption for individuals who are disabled or 65 years of age or older. After review and discussion, Director Pugh moved to adopt the Resolution exempting from ad valorem taxation by the District \$10,000 of the appraised value of residence homesteads of individuals who are disabled or 65

years of age or older and rejecting the general homestead exemption, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Purzer seconded the motion, which passed unanimously.

REPORT ON LIST OF COMMERCIAL BUSINESSES WITHIN THE DISTRICT

Ms. Rodriguez updated the Board on commercial businesses within the District.

SALE OF SERIES B GROUNDWATER CREDITS

Ms. Higgins reported that no inquiries were received regarding the sale of Series B groundwater credits.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board discussed work performed by Inframark throughout the District.

The Board reviewed the operator's report, a copy of which is attached, including the status of District maintenance and repair items.

Mr. Brandenburg reviewed three abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the accounts to the collection agency to pursue collection.

The Board discussed the message on the monthly utility bill. Mr. Brandenburg stated that the notice regarding hazards of extreme cold weather is currently on the utility bill. Following discussion, the Board concurred to keep the message regarding hazards of extreme cold weather.

Mr. Brandenburg stated that the jockey pump at the water plant requires repair or replacement. He stated replacement would cost approximately \$9,817.00, plus labor and materials, and repair would cost approximately \$12,340.00. Discussion ensued.

Director Bugyi reviewed photos of the lift station and water plant with the Board. Discussion ensued regarding potential repairs and work at the lift station and water plant.

The Board discussed high utility users for the month. The Board then considered terminating utility service to customers with delinquent accounts. Mr. Brandenburg reviewed a list of delinquent customers and noted the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order.

Following review and discussion, Director Pugh moved to (1) approve the operator's report; (2) authorize Inframark to turn over the accounts with an outstanding balance in excess of \$25.00 to the collection agency; (3) authorize Inframark to replace the jockey pump at the water plant for an estimated cost of \$9,817.00, plus labor and materials; and (4) authorize termination of service to the delinquent accounts presented if payment is not received prior to scheduled termination since none of the residents on the termination list either attended the meeting by telephone or had presented any statement on the matter, in accordance with procedures set forth in the District's Rate Order. Director Purzer seconded the motion, which passed unanimously.

AMEND RATE ORDER

Ms. Higgins discussed recently enacted legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that become due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. She presented a proposed Amended Rate Order incorporating such provisions. After review and discussion, Director Miller moved to adopt the Amended Rate Order. Director Purzer seconded the motion, which passed unanimously.

Director Purzer left the meeting.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE ACTION, IF NECESSARY

There was no discussion on this item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS ("WHCRWA")

There was no discussion on this item.

ENGINEER'S REPORT

The Board reviewed the engineer's report, a copy of which is attached.

Ms. Craft updated the Board on the status of Chelford City Regional Wastewater Treatment Plant operations and maintenance. Discussion ensued.

Ms. Craft updated the Board regarding the plans for the Phase IV televising and repairs. Discussion ensued.

Ms. Craft updated the Board on the public sanitary sewer line extension for the proposed office/warehouse off of Westpark Drive. She stated that that construction for the extension for the sanitary sewer line is complete.

Ms. Craft updated the Board on the status of a Notice of Violation from the Texas Commission on Environmental Quality ("TCEQ"). She stated that V&S received a detailed letter from the TCEQ providing the next steps for remedying the violation. Discussion ensued.

Ms. Craft updated the Board on the retesting of the water well.

Ms. Craft updated the Board on the recoating of the water plant. She stated that the one-year warranty expires in September 2022.

Ms. Craft stated that the next GIS system update will be released in March.

Ms. Craft updated the Board on the recoating of the lift station and stated that the contracts are ready for execution. Discussion ensued.

Following review and discussion, Director Pugh moved to approve the engineer's report. Director Miller seconded the motion, which passed unanimously.

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

Director Bugyi stated that he has received three bids for the cleanup of Reflection Park, copies of which are attached. He stated the lowest bid is from Nalesnik's Landscaping Inc. ("Nalesnik's") for a cost of \$4,200.00. Following review and discussion, Director Miller moved to (1) approve the proposal with Nalesnik's to clean up Reflection Park for a cost of \$4,200.00; and (2) authorize Inframark to notify Seaback to discontinue maintenance at Reflection Park. Director Pugh seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

There was no discussion on this item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

There was no discussion on this item.

2022 DIRECTORS ELECTION

Ms. Higgins discussed procedures related to the 2022 Directors Election. She reviewed an Order Calling Directors Election. Ms. Higgins discussed that Notice of

Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County. Following review and discussion, Director Pugh moved to (1) adopt the Order Calling Directors Election and direct that the Order be filed appropriately and retained in the District's official records; and (2) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar the Notice of Election, if required. Director Miller seconded the motion, which passed by unanimous vote.

CONSULTANT REVIEW OF ATTORNEY

The Board conducted a review of the Attorney.

There being no further business to come before the Board, the meeting was adjourned by agreement.



[Handwritten Signature]
ASST. Secretary, Board of Directors

ACTION LIST

1. Bookkeeper will contact the TCEQ regarding possibly waiving a late fee on an invoice.
2. Operator will obtain quotes for repairing the lift station door.
3. Operator will obtain quotes for replacing the fence slats at the lift station.
4. Operator will investigate the fire hydrant located at 3402 Boxelder.
5. Engineer will follow up with Chelford City Regional Wastewater Treatment Plant regarding a possible Amended Rate Order.
6. Operator will obtain pricing to install GPS coordinates at each manhole throughout the District.
7. Director Bugyi will bring proposals for continued maintenance of Reflection Park at the next meeting.

LIST OF ATTACHMENTS TO MINUTES

	Page <u>No.</u>
Bookkeeper's report.....	1
Tax assessor/collector's report	2
Operator's report.....	3
Engineer's Report	4
Reflection Park proposals	5