

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 166  
Minutes of Meeting of Board of Directors  
November 18, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 166 (the "District") met in special session, open to the public on November 18, 2021, 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:

Richard Love, President  
Nano Cox, Vice President  
Bill Grzanka, Secretary  
Lisa Mendel, Assistant Secretary  
Thomas C. Knickerbocker, Assistant Secretary

all of whom were present at the meeting, with the exception of Director Knickerbocker, thus constituting a quorum.

Also attending the meeting were Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Odett Newman of Bob Leared Interests, Inc. ("Bob Leared"); Jason Hajduk of IDS Engineering Group ("IDS"); Putri Tesalonika of Municipal Accounts & Consulting, L.P. ("MA&C"); Brian Williams of Pulte Homes of Texas, L.P. ("Pulte"); Julie Gerdes of Rathmann & Associates, L.P. ("Rathmann"); Justin Jenkins of McCall Gibson Swedlund Barfoot PLLC ("McCall"); and Matthew Reed and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

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

**PUBLIC COMMENTS**

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.

**MINUTES**

The Board considered the minutes of its meeting held on October 15, 2021. After discussion, Director Cox moved that the minutes of the October 15, 2021, Board meeting be approved, as written. Director Mendel seconded the motion, which unanimously carried.

**RECEIVE AND ACT UPON BIDS FOR THE PURCHASE OF THE DISTRICT'S \$2,510,000 UNLIMITED TAX BONDS, SERIES 2021**

As the next order of business, it was announced that, pursuant to notice published as required by law, public bids for the sale of the District's \$2,510,000 Unlimited Tax Bonds, Series 2021 (the "Bonds"), would be received at this time and place. In that regard, Ms. Gerdes advised

that three (3) bids were received for the purchase of the Bonds. She then presented a bid tabulation to the Board, a copy of which is attached hereto as **Exhibit A**. Ms. Gerdes reported that Rathmann has confirmed the accuracy of the bid submitted by Raymond James & Associates, Inc. ("Raymond James") at a net effective interest rate of 2.821896%. After discussion of the bids received, Director Cox moved that the Board accept the bid of Raymond James for the purchase of the Bonds at a net effective interest rate of 2.821896%. Director Mendel seconded said motion, which unanimously carried.

**ORDER AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE BONDS**

The Board next considered the Bond Order authorizing the issuance, sale and delivery of the Bonds, and prescribing the terms thereof. In that regard, Mr. Reed reviewed various provisions of the Bond Order with the Board, a copy of which is attached hereto as **Exhibit B**. After discussion, it was duly moved by Director Grzanka that the attached Bond Order be passed and adopted and that the President be authorized to execute the Bond Order and the Secretary to attest same on behalf of the Board and the District. Director Mendel seconded said motion, which unanimously carried.

**FINAL OFFICIAL STATEMENT**

As the next order of business, there was a discussion regarding the completion of the Final Official Statement to be prepared by Rathmann in connection with the sale of the Bonds. After further discussion of the matter, Director Grzanka moved that Rathmann be authorized to complete the Final Official Statement, dated as of the meeting date, that said Final Official Statement be approved by the Board and the District, and that distribution of same by Rathmann be authorized. Director Mendel seconded said motion, which unanimously carried.

**PAYING AGENT/REGISTRAR AGREEMENT**

The Board next considered the Paying Agent/Registrar Agreement between the District and The Bank of New York Mellon Trust Company, N.A. (the "Agreement") relative to the Bonds. Mr. Reed reviewed various provisions of the Agreement with the Board. After discussion, Director Grzanka moved that the Agreement be approved and that the President be authorized to execute same on behalf of the Board and the District. Director Mendel seconded said motion, which unanimously carried.

**OTHER MATTERS CONCERNING THE BONDS**

As the next order of business, the Board considered acting upon any other matters relative to the sale of the Bonds, including authorizing the execution of various documents by the President and Secretary in connection therewith. In that regard, Mr. Reed presented to and reviewed with the Board the General Certificate, Signature Identification and No-Litigation Certificate, the Initial Bonds, and other documents relating to the sale of the Bonds. After further discussion of the matter, Director Grzanka moved that the President and Secretary be authorized to execute said documents and that SPH be authorized to coordinate all matters in connection with the sale of the

Bonds and filing of the transcript with the Attorney General of the State of Texas. Director Mendel seconded said motion, which unanimously carried.

**ENGAGEMENT OF AUDITOR FOR PREPARATION OF AUDIT OF PAYMENTS FROM BOND PROCEEDS**

As the next order of business, the Board considered the engagement of an auditor for preparation of an audit of payments to the developer out of the proceeds of the Bonds. The Board recognized Mr. Jenkins, who reviewed an engagement letter prepared by McCall, a copy of which is attached hereto as **Exhibit C**. After discussion, Director Grzanka moved that (i) McCall be engaged to prepare an audit of the payments proposed to be made out of the proceeds of the Bonds in accordance with the terms outlined in the engagement letter, (ii) the President be authorized to execute such engagement letter on behalf of the Board and the District, and (iii) Texas Ethics Commission ("TEC") Form 1295 provided by McCall be approved and SPH be authorized to acknowledge receipt of same with the TEC. Director Mendel seconded said motion, which unanimously carried.

**TAX ASSESSOR-COLLECTOR REPORT**

Ms. Newman presented to and reviewed with the Board the tax assessor-collector report for the month of October 2021, including the disbursements presented therein for payment from the District's tax account. A copy of the report is attached hereto as **Exhibit D**. After discussion, Director Cox moved that the tax assessor-collector report be approved and that the disbursements identified in the report be authorized for payment from the District's tax account. Director Mendel seconded said motion, which unanimously carried.

**DELINQUENT TAX COLLECTIONS ATTORNEYS' REPORT**

The Board deferred review of the delinquent tax collections attorneys' report after noting that said report is presented on a quarterly basis, and that no report had been prepared for this Board meeting.

**BOOKKEEPER'S REPORT**

Ms. Tesalonika then presented to and reviewed with the Board the bookkeeper's report, dated November 18, 2021, including the disbursements presented for payment. A copy of the report is attached hereto as **Exhibit E**. Following discussion, it was moved by Director Grzanka that the bookkeeper's report be approved, and that the disbursements identified in the report be approved for payment, with the exception of check no. 7023, which was voided. Director Mendel seconded the motion, which unanimously carried.

Ms. Tesalonika additionally presented and reviewed with the Board a Quarterly Investment Inventory Report (the "Quarterly Report") for the period ending September 30, 2021, a copy of which is included with **Exhibit E**. After further discussion of the Report and upon motion duly made by Director Grzanka, seconded by Director Mendel and unanimously carried, the Quarterly

Report was approved and the District's Investment Officer was authorized to execute same on behalf of the Board and the District.

**STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265**

The Board next considered the status of compliance by the District with Texas Government Code, Chapter 2265, relative to energy reporting requirements. In connection therewith, Ms. Tesalonika presented to and reviewed with the Board an energy report, a copy of which report is attached to the bookkeeping report (**Exhibit E**). Mr. Reed noted that no further action is required by the District.

**ENGINEERING REPORT**

Mr. Hajduk next presented to and reviewed with the Board the Engineering Report prepared by IDS relative to the status of various projects within the District, a copy of which report is attached hereto as **Exhibit F**. No action was taken by the Board at this time.

**ISSUANCE OF UTILITY COMMITMENTS**

The Board deferred the approval of utility commitment requests until a future meeting as no requests had been received.

**MAINTENANCE OF DETENTION AND DRAINAGE FACILITIES**

The Board deferred consideration of a Detention and Drainage Facilities Report upon noting that a representative of Storm Water Solutions, L.P. was not present at the meeting.

**OPERATIONS AND MAINTENANCE REPORT**

Ms. Bonilla-Odums presented to and reviewed with the Board the Operations and Maintenance Report for the month of October 2021, a copy of which report is attached hereto as **Exhibit G**.

Ms. Bonilla-Odums presented a proposal provided by Inframark to assemble information and apply for Unincorporated Harris County Operating Permits on behalf of the District to meet the requirements of International Fire Code 2018, a copy of which is attached to the Operations and Maintenance Report. Following discussion, Director Cox moved that the Board approve the proposal and that the President be authorized to execute same on behalf of the Board and the District. Director Grzanka seconded the motion, which unanimously carried.

Ms. Bonilla-Odums requested that Inframark be authorized to transfer one (1) delinquent account listed on the Operations and Maintenance Report totaling \$102.29 to Collections Unlimited for collection purposes. After discussion on the matter, Director Cox moved that the Board authorize Inframark to transfer said account as listed on Inframark's report to Collections

Unlimited for collection purposes. Director Grzanka seconded the motion, which unanimously carried.

**RATE ORDER**

The Board next considered amending the District's Rate Order. The Board discussed proposed changes to the District's Rate Order, including, but not limited to, an adjustment in response to the increase in surface water fees from \$3.85 to \$4.10 per 1,000 gallons of surface water charged by the West Harris County Regional Water Authority (the "Authority") effective as of January 1, 2022. The Board concurred to adjust the rate that the District charges to collect from the District's customers sufficient funds to pay the Authority's fees from \$3.93 to \$4.18. Following discussion, Director Mendel moved that the District's Rate Order be amended, as discussed, that any and all Rate Orders heretofore adopted be revoked and that the Rate Order effective as of January 1, 2022, a copy of which is attached hereto as **Exhibit H**, be passed and adopted. Director Grzanka seconded the motion, which unanimously carried.

**REPORT BY REPUBLIC SERVICES, INC.**

The Board deferred review a of a report by Republic Services, Inc. ("Republic") upon nothing that a representative of Republic was not present at the meeting.

**DEVELOPERS' REPORTS**

The Board next considered the developers' reports. In that regard, Mr. Williams provided the Board with an update regarding development within the District by Pulte.

**ATTORNEY'S REPORT**

The Board next considered the attorney's report. Mr. Reed advised the Board that Chapter 2206 of the Texas Government Code requires each public and private entity in the State of Texas authorized to exercise the power of eminent domain to file a report with the Comptroller before February 1 of each year. Following discussion on the matter, Director Mendel moved that SPH be authorized to prepare and file the required eminent domain report with the Comptroller prior to February 1, 2022. Director Grzanka seconded the motion, which passed unanimously.

**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**

The Board next considered items for placement on future agendas. No specific agenda items, other than routine and ongoing matters, were requested.

**ADJOURNMENT**

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

  
Secretary

608079

LIST OF EXHIBITS TO MINUTES

- Exhibit A Bid Tabulation - Series 2021 Bonds
- Exhibit B Order Authorizing the Issuance, Sale and Delivery of the Bonds
- Exhibit C Engagment Letter - McCall Gibson Swedlund Barfoot PLLC
- Exhibit D Tax Assessor Collector's Report
- Exhibit E Bookkeeper's Report
- Exhibit F Engineering Report
- Exhibit G Operations and Maintenance Report
- Exhibit H Rate Order