

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
October 26, 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 October 26, 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, thus constituting a quorum.

Also present were Chad Walker and Pam Madrigol of Jones & Carter, Inc. ("J&C"); Charlie LaConti of Municipal Accounts & Consulting, L.P. ("MA&C"); Michelle Guerrero of Bob Leared Interests, Inc. ("Leared"); Matt Brown of Si Environmental, LLC ("SE"); Michelle Vinogradov of BKD, LLP ("BKD"); 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

The Board deferred consideration of public comments after noting that no members of the public were present.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board meetings held on September 28, 2021 and October 4, 2021. Following review, Director Alvarado moved that the minutes of the Board meetings held on September 28, 2021 and October 4, 2021, be approved, as written. Director Vowell seconded said motion, which unanimously carried.

APPOINTMENT OF NEW DIRECTOR AND ELECTION OF OFFICERS

The Board deferred consideration of the appointment of a Director to fill the vacancy on the Board.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero reviewed the Tax Assessor-Collector's Report for the month of September 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 Vowell seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board next considered the Delinquent Tax Collections Attorney's Report (the "Delinquent Report") from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached hereto as **Exhibit B**. Ms. Free reminded the Board it previously authorized Perdue and SE to send water termination letters to those eligible accounts listed in the Delinquent Report in accordance with the District's Rate Order. Following discussion, Director Alvarado moved that Perdue and SE be authorized to proceed with water termination to those eligible accounts listed in the Delinquent Report in accordance with the District's Rate Order and after confirmation that renters do not reside in the affected addresses. Director Vowell seconded said motion, which carried unanimously.

AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2021

The Board next considered approval of the District's annual audit report for its fiscal year ended June 30, 2021. In connection therewith, Ms. Vinogradov presented and reviewed in detail with the Board a draft of the District's audit report, a copy of which is attached hereto as **Exhibit C**. She then presented the Board with a draft Management Letter prepared by BKD, concerning the Board's internal controls over financial reporting. Ms. Vinogradov advised the Board that the Management Letter is being submitted in connection with the requirements of Statement on Auditing Standards No. 115, and includes the Management Response language prepared by SPH on behalf of the District, copies of which are attached hereto as **Exhibit D**. After discussion concerning the audit presented, Director Alvarado moved that: (i) the audit report for the District's fiscal year ended June 30, 2021, be approved, subject to final review and comment by SPH; (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District; (iii) such audit report and Annual Filing Affidavit be filed with the Texas Commission on Environmental Quality (the "TCEQ") by the applicable deadline; and (iv) the draft Management Response contained in the Management Letter and prepared by SPH be approved, as presented. Director Vowell seconded said motion, which unanimously carried.

CONTINUING DISCLOSURE REPORT

Ms. Free next presented to the Board correspondence from McCall, Parkhurst & Horton, L.L.P. ("McCall"), the District's Disclosure Counsel, regarding the approval of an Annual Financial and Operating Report pursuant to SEC Rule 15c2-12 ("Annual Report") for the District's Series 2011 Bonds and Series 2018 Bonds, a copy of which is attached hereto as **Exhibit E**. After discussion on the matter, Director Alvarado moved that the Annual Report prepared by McCall be

approved and McCall be authorized and directed to file same with the appropriate agencies as required by SEC Rule 15c2-12 on behalf of the Board and District. Director Vowell seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Walker presented to and reviewed with the Board the Engineer's Report dated October 26, 2021, a copy of which is attached hereto as **Exhibit F**, relative to the status of various projects within the District. In connection therewith, he presented to and reviewed with the Board recent results of water quality monitoring within the District. It was noted that no Board action is required at this time.

UTILITY COMMITMENT LETTERS

Mr. Walker next presented to and reviewed with the Board a utility commitment request for a proposed 10,000 square foot office and warehouse development located at 5630 Barker Cypress Road. He requested that the Board authorize J&C and SPH to prepare the utility commitment for said development for 600 gallons per day average daily flow sanitary sewer service capacity and 720 gallons per day average daily flow water capacity. Mr. Walker further noted that the developer will be required to extend a public sanitary sewer line to serve the development, or pay for said extension. In connection therewith, Ms. Free advised that the deposit amount for said design and construction will need to be included in the utility commitment. Following discussion, Director Alvarado moved to authorize J&C and SPH to prepare the capacity reservation letter, as recommended. Director Vowell seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT

Mr. LaConti presented and reviewed with the Board the Bookkeeper's Report, dated October 26, 2021, a copy of which is attached hereto as **Exhibit G**, 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, including check nos. 10040 through 10045, which were not included in the Bookkeeper's Report. Director Vowell seconded said motion, which carried unanimously.

COMPLIANCE BY DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265 RELATIVE TO ENERGY REPORTING REQUIREMENTS

The Board deferred consideration of an electricity utility usage and expense report, after noting that no report had been received this month.

Ms. Vinogradov exited the meeting at this time.

OPERATIONS AND MAINTENANCE REPORT

Mr. Brown then presented to and reviewed with the Board the Operations and Maintenance Report for the month of October 2021, a copy of which is attached hereto as **Exhibit H**. In connection therewith, Mr. Brown presented the delinquent customer accounts list, a copy of which is attached to the Operations and Maintenance Report.

Mr. Brown next advised the Board that SE discovered a valve leak on Garden Manor Drive. He further advised the Board that water service to approximately sixty-five (65) homes would need to be shut off for approximately three to five hours in order to repair said leak. A discussion ensued regarding communication with residents. 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 proceed with the repair on Gardon Manor Drive, as recommended by SE, (iii) authorize SE to place door tag on the affected homes prior to said repair, and (iv) authorize SPH to prepare a notification message to affected residents to be sent via text message and email, in accordance with the District's Emergency Communication Plan. Director Vowell seconded said motion, which carried unanimously.

Mr. Brown next advised the Board of the status of communications with the contractors installing fiber optic cable within the District regarding damage done to District facilities. Following a lengthy discussion regarding same, the Board concurred to authorize SPH to prepare and send a demand letter to said contractors for reimbursement of the cost of said repairs.

SENATE BILL NO. 3 ("S.B. 3") AND AMENDMENT OF THE DISTRICT'S RATE ORDER

Ms. Free addressed the Board concerning the implementation of S.B. 3, which was enacted during the 87th Texas Legislative Session in response to Winter Storm Uri. In that regard, she presented to and reviewed with the Board a memorandum prepared by SPH and attached hereto as **Exhibit I**. After discussion on the matter, Director Alvarado moved to: (i) amend the District's Rate Order to implement the requirements of S.B. 3 as recommended by SPH; (ii) revoke any and all Rate Orders heretofore adopted; and (iii) pass and adopt the Rate Order attached hereto as **Exhibit J** to be effective as of November 1, 2021, as presented. Director Vowell seconded said motion, which unanimously carried.

SECURITY REPORT

Ms. Free presented the security report to the Board, a copy of which is attached hereto as **Exhibit K**. 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, Ms. Free advised the Board of the status of the acquisition of the 1.0408 acre tract (the "Tract") by

the District. Directors Vowell and Langley advised that the contractors installing fiber-optic cable within the District are currently using the Tract for equipment storage. A lengthy discussion ensued regarding same. Following discussion, Director Alvarado moved to (i) require the removal of said equipment from the Tract as a condition to closing, and (ii) authorize SE to install "No Trespassing" signs on the Tract immediately following closing.

The Board next considered the contract with Martinez Architects ("Martinez") for architectural design services. In connection therewith, Ms. Free advised the Board that SPH and J&C are currently reviewing said contract. A lengthy discussion ensued regarding the fee structure contained within the contract, construction oversight, and alternative design options. Following discussion, the Board directed J&C and SPH to provide comments to said contract and to negotiate the fee contained therein.

Ms. Guerrero exited the meeting during this discussion.

ATTORNEY'S REPORT

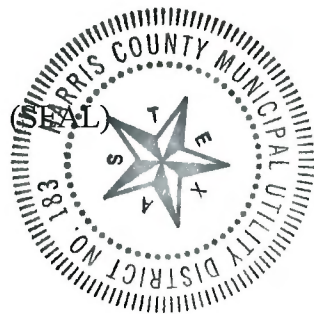
The Board next considered the Attorney's Report. In connection therewith, Ms. Free presented to and reviewed with the Board an annual arbitrage rebate and yield restriction analysis prepared by Municipal Risk Management Group, L.L.C., a copy of which is attached hereto as **Exhibit L**. Upon review, the Board concurred that no action was required.

FUTURE AGENDA ITEMS

The Board did not request any items be placed 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 Vowell, and unanimously carried, the meeting was adjourned.



Robert Sellar
Asst. Secretary, Board of Directors

Harris County Municipal Utility District No. 183
EXHIBITS
October 26, 2021

- Exhibit A Tax Assessor-Collector Report
- Exhibit B Delinquent Tax Collections Attorney Report
- Exhibit C Draft Audit for fiscal year ended June 30, 2021
- Exhibit D Management Letter and Statement on Auditing Standards Letter
- Exhibit E Continuing Disclosure Report
- Exhibit F Engineer's Report
- Exhibit G Bookkeeper's Report
- Exhibit H Operations and Maintenance Report
- Exhibit I Memorandum – Implementation of Senate Bill No. 3
- Exhibit J Rate Order
- Exhibit K Security Report
- Exhibit L Annual Arbitrage Report