

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

April 13, 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 13th day of April, 2022, 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
Michelle Miller	Assistant Secretary
Vacant	Secretary
Vacant	Assistant Vice President

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

Also present at the meeting were Bryan Dotson, a member of the public; Lynea Gallagher, a resident of the District; Jolie Craft of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Stephanie Viator and Nico Steen 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 March 9, 2022, regular meeting. After review and discussion, Director Miller moved to approve the minutes of the March 9, 2022, regular 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.

Mr. Dotson discussed with the Board a potential trail system to be installed by the Texas Department of Transportation ("TxDOT") that will cross the District, adjacent to Vineyard Drive. He stated that TxDOT will be applying for federal funding for this trail and is requesting a letter of support from the District. The Board concurred to discuss this matter later in the meeting.

There being no further 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. Following review and discussion, Director Pugh moved to approve the bookkeeper's report and authorize payment of the District's bills. Director Miller seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed an insurance proposal from McDonald & Wessendorff Insurance ("McDonald"). Following review and discussion, Director Pugh moved to accept the proposal from McDonald for renewal of the District's insurance policies, and direct that the proposal be filed appropriately and retained in the District's official records. Director Miller 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 Pugh moved to approve the tax assessor/collector's report and payment of the tax bills. Director Miller 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.

CRITICAL LOAD SPREADSHEET

Ms. Higgins reviewed the Critical Load Spreadsheet for the District's facilities. She stated that the District's engineer, bookkeeper, and operator have reviewed the Critical Load Spreadsheet. Following review and discussion, Director Pugh moved to authorize filing of the Critical Load Spreadsheet and direct that the Spreadsheet be filed appropriately and retained in the District's official records. Director Miller seconded the motion, which passed unanimously.

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

The Board discussed work performed by Inframark throughout the District.

Mr. Brandenburg discussed a request received from a resident seeking a credit on their account due to flushing out their water lines after a main line repair in the District. Discussion ensued. Following discussion, the Board concurred to deny the request from the resident due to the resident flushing their lines at their own discretion.

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

Mr. Brandenburg updated the Board on the jockey pump replacement at the water plant. He stated that it should be replaced in the next couple of weeks.

Mr. Brandenburg reviewed two 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 keeping the water meter lids to the meter box accessible is currently on the utility bill. Following discussion, the Board concurred to keep the message regarding keeping the water meter lids to the meter box accessible.

The Board discussed damage caused by AT&T and their contractors in the District while fiber optic lines were being installed. Discussion ensued regarding sending a cease-and-desist letter to AT&T and all contractors installing fiber optic lines in the District.

Mr. Brandenburg reviewed a report on the District's Identity Theft Prevention Program, a copy of which is attached. He stated the report indicates no significant incidents of identity theft detection and Inframark recommends no changes to the Program. The Board agreed that it was not necessary to adopt a Program amendment based on Inframark's report.

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 ABHR, V&S, and Inframark to coordinate cease and desist letters to AT&T and their contractors, as needed; 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 were either present at the meeting or presented any statement on the matter, in accordance with procedures set forth in the District's Rate Order. Director Miller seconded the motion, which passed unanimously.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE ACTION, IF NECESSARY

There was no discussion on this item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this item.

DISCUSS ATTORNEY CONFLICT DISCLOSURE AND AUTHORIZE APPROPRIATE ACTION

Ms. Higgins presented a letter from ABHR disclosing a conflict of interest due to ABHR's work for both the District and West Harris County Regional Water Authority in real estate matters. Following discussion, Director Pugh moved to accept and sign the disclosure letter. Director Miller seconded the motion, which passed unanimously.

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 regarding rate order revisions and Ms. Craft recommended adding a table for discharge limitations and monitoring requirements for collection system discharge in the system to the District's Rate Order. Following discussion, the Board concurred to add an item to the next agenda to amend the Rate Order.

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

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 June.

Ms. Craft updated the Board on the recoating of the lift station. Discussion ensued.

Ms. Craft updated the Board on the vent pipe replacement at the lift station. She stated that she received a quote from CFG Industries to replace the vent pipe with a fiberglass vent pipe for an approximate cost of \$4,500.00 and a quote from Inframrk to replace the vent pipe with a galvanized vent pipe for an approximate cost of \$3,900.00 plus in-house costs. Discussion ensued. Following review and discussion the Board concurred to move forward with Inframark's proposal for an approximate cost of \$3,900.00 plus in-house costs.

Ms. Craft updated the Board on the possibility of installing two davit cranes to lift the large doors at the lift station. She reviewed a preliminary cost estimate for installation of the davit cranes for an estimated cost of \$35,106.00. Discussion ensued.

Ms. Craft updated the Board on Harris County Municipal Utility District No. 120 ("HCMUD120") matters and stated that they are completing an emergency repair on the main line between Wingdale and Pfeiffer Drive. Ms. Craft reviewed the proposal for repair provided by HCMUD120's engineer for a cost of \$78,534.75 and noted that per the Amended and Restated Joint Utilities Agreement, between the District and HCMUD120, the cost of the emergency repair is to be shared equally between the District and HCMUD120. She stated that the TCEQ has approved HCMUD120's request to forego the normal bid requirements due to this being an emergency repair. Discussion ensued. Following review and discussion, the Board directed Ms. Craft to discuss this matter further with HCMUD120's engineer.

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

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

Director Bugyi updated the Board on the cleanup of Reflection Park. He stated that he has requested a proposal from Nalesnik's Landscaping Inc. ("Nalesnik's") for testing the irrigation system and installing a fence around the perimeter of the park.

Director Bugyi stated that he has received three bids for the maintenance of Reflection Park. He stated the most qualified bid is from Nalesnik's for a one-year term.

Following review and discussion, Director Pugh moved to approve the proposal with Nalesnik's for maintenance of Reflection Park for a one-year term. Director Bugyi seconded the motion, which passed unanimously.

The Board discussed the potential trail system from TxDOT discussed previously in the meeting. Following discussion, the Board concurred to decline any action on this matter.

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.

APPOINTMENT OF A NEW DIRECTOR

The Board discussed appointing new Directors to the Board.

Ms. Gallagher expressed that she is interested in serving on the Board of Directors.

Ms. Higgins stated that Ms. Gallagher must execute a Sworn Statement, Official Bond, and Oath of Office as required by the Texas Constitution and Texas Water Code.

Ms. Higgins next reviewed a memorandum regarding Texas Open Meetings Act and Public Information Act training requirements for Directors and encouraged Ms. Gallagher to receive her training as soon as possible and forward her certificate of completion to ABHR for inclusion in the District's permanent records.

Ms. Higgins then reviewed with the Board legislation enacting Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. Ms. Higgins reviewed with the Board the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District. Ms. Higgins encouraged Ms. Gallagher to contact ABHR if assistance is needed in determining whether a conflict requires disclosure or in making a required disclosure.

Following review and discussion, Director Bugyi moved to (1) appoint Ms. Gallagher to the Board; and (2) approve Director Gallagher's Sworn Statement, Official Bond, and Oath of Office, and direct that they be filed and retained in the District's official records and that the Oath of Office be filed with the Secretary of State of the State of Texas. Director Pugh seconded the motion, which passed unanimously.

RE-ORGANIZE THE BOARD OF DIRECTORS AND AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board considered reorganizing the Board. After discussion, Director Pugh moved to nominate Director Miller as Secretary and Director Gallagher as Assistant Secretary and to reorganize the Board as following:

David E. Bugyi	President
Kay Pugh	Vice President
Michelle Miller	Secretary
Vacant	Assistant Vice President
Lynea Gallagher	Assistant Secretary

Director Bugyi seconded the motion, which passed unanimously.

Ms. Higgins stated the District Registration Form must be filed with the TCEQ to show the new slate of officers. After discussion, the Board concurred to authorize ABHR to file the District Registration Form with the TCEQ.

CONSULTANT REVIEW OF OPERATOR

The Board conducted a review of the Operator.

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




Secretary, Board of Directors

ACTION LIST

1. Director Bugyi will bring proposals for Reflection Park at the next meeting.

LIST OF ATTACHMENTS TO MINUTES

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