

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 166
Minutes of Meeting of Board of Directors
June 17, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 166 (the "District") met in regular session, open to the public on June 17, 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:

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, 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 and Eve Blakemore of IDS Engineering Group ("IDS"); Brian Williams and Katy Keese of Pulte Homes of Texas, L.P. ("Pulte"); Ravi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"); and Eric Lai 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 concurred to defer approval of the minutes of the June 2, 2022, Board meeting.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Newman presented to and reviewed with the Board the tax assessor-collector report for the month of May 2022, including the disbursements presented therein for payment from the District's tax account. A copy of the report is attached hereto as **Exhibit A**. After discussion, Director Grzanka 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

Mr. Patel then presented to and reviewed with the Board the bookkeeper's report, dated June 17, 2022, including the disbursements presented for payment. A copy of the report is attached hereto as **Exhibit B**. Following discussion, it was moved by Director Knickerbocker that the bookkeeper's report be approved, and that the disbursements identified in the report be approved for payment. Director Cox seconded the motion, which unanimously carried.

VOTING SYSTEM ANNUAL FILING FORM

The Board considered approval of a Voting System Annual Filing Form. Mr. Lai advised the Board that under the Texas Election Code, the District is required to complete and file a form provided by the Secretary of State regarding information related to District elections. After discussion, Director Cox moved that SPH be authorized to complete the Voting System Annual Filing Form and to file same with the Secretary of State's office. Director Mendel seconded the motion, which unanimously carried.

REQUEST OF RECORDS MANAGEMENT OFFICER

The Board next considered a request from the District's Records Management Officer to destroy SPH's handwritten notes and audio recordings of Board meetings held between March 20, 2021 to March 19, 2022, a copy of which is attached hereto as **Exhibit C**. After discussion of the request, Director Mendel moved that the destruction of SPH's handwritten notes and audio recordings of Board meetings be authorized as requested in accordance with the provisions of the District's Records Management Program. Director Cox seconded the motion, which unanimously carried.

ENGINEERING REPORT

Ms. Blakemore 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 D**.

Ms. Blakemore addressed the Board regarding the application for use of surplus funds for reimbursement to Pulte. She reminded the Board that the updated Wastewater Treatment Plant schedule projects completion of the project in July 2023, and advised that, due to the delay in schedule, IDS has prepared an updated draft Summary of Costs for a Bond Application Report, a copy of which is attached as part of the Engineering Report. A discussion ensued regarding the District's options to reimburse Pulte. No action was taken by the Board at this time.

With regard to the construction of the water line across Langham Creek, Ms. Blakemore advised that the District is in receipt of Pay Estimate No. 1 from Underground Construction Services, LLC, in the amount of \$209,272.50, and that IDS recommends the Board approve the payment of same. Following discussion, Director Grzanka moved that the District approve the payment of said pay estimate, as recommended by IDS. Director Cox seconded the motion, which unanimously carried.

ISSUANCE OF UTILITY COMMITMENTS

Mr. Lai next advised the Board that KBN, LLC has submitted a utility commitment request for 832 gallons per day, average daily flow, of sanitary sewer capacity and related water capacity, to serve a proposed commercial building to be located on an approximately 1.00 acre tract of land located 16939 West Little York Road. Following discussion, Director Knickerbocker moved that the Board (i) authorize the issuance of the utility commitment letter by the District, as discussed above, (ii) that the President be authorized to execute same on behalf of the Board and the District, and (iii) that SPH be authorized to accept the related Texas Ethics Commission Form 1295 on behalf of the District. Director Mendel seconded the motion, which unanimously carried.

FINANCIAL ADVISOR'S REPORT

Mr. Lai advised that the District's financial advisor will attend the next meeting to address the Board regarding the District's options for reimbursement to Pulte.

MAINTENANCE OF DETENTION AND DRAINAGE FACILITIES

Mr. Lai noted that a copy of Storm Water Solutions, L.P.'s Drainage Facilities Report is attached to the Engineering Report. Upon review of the report, no action was taken by the Board.

OPERATIONS AND MAINTENANCE REPORT

Ms. Bonilla-Odums presented to and reviewed with the Board the Operations and Maintenance Report for the month of May 2022, a copy of which report is attached hereto as **Exhibit E**.

Ms. Bonilla-Odums advised the Board that the survey of the District's fire hydrants is complete, and that it will cost approximately \$1,260 to make the necessary repairs. Following discussion, Director Grzanka moved that Inframark be authorized to repair the fire hydrants within the District, at a cost of approximately \$1,260, and to replace fire hydrants that are unable to be repaired, as necessary. Director Knickerbocker 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 \$193.43 to Collections Unlimited for collection purposes. After discussion on the matter, Director Grzanka moved that the Board authorize Inframark to transfer said account as listed on Inframark's report to Collections Unlimited for collection purposes. Director Knickerbocker seconded the motion, which unanimously carried.

Ms. Bonilla-Odums next requested that Inframark be authorized to write off a delinquent account listed on the Operations and Maintenance Report as uncollectible totaling \$8.38. After discussion on the matter, Director Grzanka moved that the Board authorize Inframark to deem said account as uncollectible. Director Knickerbocker seconded the motion, which unanimously carried.

Ms. Bonilla-Odums next advised that the District is in receipt of a violation notice from Harris County Pollution Control Services, a copy of which is attached to the Operations and Maintenance Report. She stated that Inframark has responded to the notice, and that a copy of the response is attached to her report.

Ms. Bonilla-Odums next addressed the Board regarding the number of calls received by Inframark from District customers regarding high water bills, and the procedures in place to test customer water meters. A discussion ensued regarding amending the District's Rate Order to include provisions regarding back-charging customers for costs associated with pulling and testing of water meters. Following discussion, the Board requested that an item be included on the next agenda for the Board to consider amending the Rate Order.

Mr. Lai next advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District and (b) immediately upon any change in the information to the above entities, as well as to the office of emergency management of Harris County, the Public Utility Commission of Texas, and the division of emergency management of the governor. Following discussion, Director Grzanka moved to authorize IDS and/or Inframark to make such submissions on behalf of the District, as and if necessary. The motion was seconded by Director Knickerbocker and carried by unanimous vote.

REPORT BY REPUBLIC SERVICES, INC.

It was noted that a representative of Republic Services, Inc. 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. Lai advised that he had nothing to report regarding legal matters other than those items which were previously addressed in the meeting.

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

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LIST OF EXHIBITS TO MINUTES

- Exhibit A Tax Assessor Collector's Report
- Exhibit B Bookkeeper's Report
- Exhibit C Records Destruction Request
- Exhibit D Engineering Report
- Exhibit E Operation and Maintenance Report