

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155**

Minutes of Meeting of Board of Directors

July 18, 2022

A meeting of the Board of Directors (“Board”) of Harris County Municipal Utility District No. 155 (“District”) was held July 18, 2022 at Workspace Suites, 16517 Longenbaugh Drive, Houston, Texas, in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Margaret K. Dawson, President  
Jim Denmon, Vice President  
Clint Wilhelm, Secretary  
Barbara Scott, Director  
Corey Manahan, Director

and the following absent:

None.

Also present were Ms. Beth Wright and Mr. Chris Sanchez of Municipal Operations & Consulting; Ms. Tonya Francis, District bookkeeper; Ms. Debbie Arellano, tax assessor-collector; Mr. John Gerdes, District engineer; Mr. Jeff Penney and Mr. Pat Burke, representing Harris County MUDs No. 156 and No. 172, respectively; Mr. Michael Smith of Michael’s Maintenance; and Ms. Melissa J. Parks, attorney for the District.

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

1. The Board considered the following items from the Consent Agenda:

Minutes of the Board of Directors meeting held June 20, 2022, which the Board approved as presented.

Tax assessor-collector’s report, copy attached, including invoices and a schedule of delinquent taxes. Tax collections for 2021 are at 98.841% through June 30.

Bookkeeper’s report, a copy of which is attached hereto, including invoices, a schedule of investments and an investment report.

After discussion by the Board, upon motion by Director Denmon, seconded by Director Wilhelm, the Board voted unanimously to approve the items on the Consent Agenda, including checks as reflected on the tax assessor-collector’s and bookkeeper’s reports.

2. The Board opened the meeting for public comment. No public comment was offered.

3. The Board considered the qualifications and other matters related to the May, 2022 election of Corey Manahan as a director. Mr. Manahan executed a letter of qualification, statement of elected officer, and oath of office. He also completed a conflict-of-interest disclosure statement and received a memorandum regarding completion of required Open Meetings and Public Information Act training. After discussion, upon unanimous vote, the Board accepted the letter of qualification, statement, and oath of office of Corey Manahan for a new four-year term on the Board of Directors.

4. The Board considered an election of officers, but after discussion, the Board agreed that all officers should maintain their current positions.

5. The Board reviewed draft budgets prepared by the bookkeeper for the fiscal year ending August 31, 2023 for the District's general operating fund, the regional sewage treatment plant, and the joint water plant. The Board discussed with the District's engineer any capital improvements which he may recommend for the sewage treatment plant. After further discussion, the Board agreed to call a special meeting for Saturday, August 6 for further discussion of the 2023 budgets.

6. The Board addressed the annual investment officer ethics disclosure requirement. District investment officer Director Manahan presented his executed disclosure, which the attorney will file with the Texas Ethics Commission and in the District's files as required by law.

7. Beth Wright presented an operations report, copy attached, reflecting 825 total connections and including 4 vacancies. Water accountability during the month was 101%, and the sewage treatment plant had operated at 37% of permitted capacity.

There were no accounts for consideration this month which the operator had suggested be deemed uncollectable, but Ms. Wright submitted a list of 23 delinquent accounts to the Board that were subject to termination of utility service. Ms. Wright stated that these customers had been given written notification of the opportunity to appear, either in-person or in writing, at the Board meeting to contest, explain, or request correction of the charges, services, or disconnection. The affected customers were not in attendance, nor had anyone on their behalf contacted the operator's office or the District in response to the notification. After discussion, upon motion duly made, seconded unanimously carried, the Board authorized the operator to proceed with termination of utility service to said accounts pursuant to provisions of the District's Rate Order.

Ms. Wright discussed a notification received from the West Harris County Regional Water Authority about its implementation of Stage 1 drought measures. The District's own Drought Contingency Plan provides that the District will impose drought measures under its Plan equivalent to the respective stage imposed by the Authority. To that end, the Board directed the District's operators to install signs within each subdivision in the District providing notice to customers of District imposition of Stage 1 voluntary drought measures. There will also be a notice placed on District water bills.

Ms. Wright gave a brief update on the status of manhole repairs and then noted there had been two major water main breaks during the month which had since been repaired.

Ms. Wright notified the Board that Municipal Operations & Consulting is changing its billing software from AVR to Starnik. The Starnik software should provide a better experience for the operator and for the District's customers, but it will require customers who pay electronically to update their ACH and bill pay payment methods. The operators will notify District customers in advance of conversion to the new program, which is expected to be implemented in August or September. Ms. Wright distributed a draft of this notice for Board review. The new software also will enable the operators to send mass notifications by text and/or email to District customers, and the Board requested more information in this regard. After further discussion of operating matters, upon motion by Director Denmon, seconded by Director Scott, the Board unanimously to approve the operator's report.

8. John Gerdes presented an engineer's report, copy attached. The engineer had identified punch list items for the contractor to address prior to close out of the electrical improvement work by JACH Controls & Automation. The engineer had recently received the electric load analysis prepared by Baird, Gilroy & Dixon and soon expects to receive a full report.

Mr. Gerdes discussed District response to a notice from the Texas Commission on Environmental Quality (TCEQ) of alleged violations at the sewage treatment plant. Mr. Gerdes reported that he and the operators had gathered historic documents for provision to TCEQ, but to address the TCEQ's issue with the District's interconnect with Harris County MUD No. 163, neither the engineer nor the operator had responsive documents. As a result, Mr. Gerdes will prepare as-built drawings of the interconnect and will coordinate same with the engineer for No. 163. The Board believes both districts should share the cost of preparing this document.

Mr. Gerdes described the recent quarterly meeting of joint sewage treatment plant participants. It was noted by Director Denmon that no other participants or their representatives were in attendance, and he recommended that attendance be determined in advance prior to holding future quarterly meetings. Mr. Gerdes reported that contractor CFG had attended the meeting and provided a summary of the rehabilitation work. CFG still noted an intent to complete the project by the end of July. Next Mr. Gerdes requested Board authorization for Baird, Gilroy & Dixon to prepare an engineering and construction cost proposal for update of the electrical switches, given the recent replacement of the breaker. The Board agreed Mr. Gerdes should obtain such a proposal.

Mr. Gerdes reported that repair of the fence 7938 Millbrook Lane was complete except for replacement of a latch on the gate. He will hold the contractor's retainage until the work is complete. Finally, Mr. Gerdes addressed the backslope interceptor and fence replacement project. He noted that he will continue working with Directors Scott and Manahan on completion of the preliminary drawings. After further discussion, upon motion by Director Scott, seconded by Director Denmon, the Board voted unanimously to approve the engineer's report.

9. Michael Smith presented a landscape maintenance report, copy attached, and reviewed it with Board. He reported he changed the irrigation controller batteries in the walkway, tree, and flower bed systems. Regular grounds maintenance is on schedule and the irrigation system is operating normally. He asked the Board about budget estimates for landscape maintenance, and the Board encouraged him to provide budget numbers for any irrigation or other improvements he might recommend. Mr. Smith then reiterated his general comments made last month on the effects of elevated gas and diesel prices on operating his business but again did not request that the Board approve an adjustment of his rates. The Board then discussed the condition of certain trees and requested that Mr. Smith recommend alternatives if the appearance of these trees did not improve.

10. The Board considered a proposed Interlocal Agreement with the Harris Galveston Subsidence District for its Water Wise Program for the 2022-2023 school year. The Board noted it had not participated in this program for the past few years and declined once again to enter into an agreement.

11. The Board considered pending business. Mr. Burke complimented the District on the sewage treatment plant rehabilitation project. He and the No. 172 Board were pleased that a thorough inspection had been performed prior to starting the project and that the scope of work did not change during the project. Concerning payments from other plant participants for the rehabilitation project, Ms. Parks and Ms. Francis reported that funds have been received from most all participants, and participants that have not paid have indicated funds will soon be transmitted.

The Board discussed the status of billing under the Emergency Water Supply Contract with Harris County MUD No. 163. Since the last meeting, the District's operator had provided data on water received and supplied by both districts, and Ms. Parks had prepared a combined invoice reflecting same. During the billing period, the District had used more water than No. 163 had, so after taking into account payment in kind, the District would owe a \$9,342.47 payment to No. 163. Submission of this payment would bring the districts back to even regarding payment for water supplied and received through the interconnect. After discussion, upon motion by Director Wilhelm, seconded by Director Scott, the Board voted unanimously to submit the payment to No. 163. Further regarding water interconnects, the Board discussed the analog meter at the District's interconnect with No. 172 and discussed whether to replace it with a digital meter. After discussion, the Board agreed that as the analog meter was working properly, it should not be replaced unless it began malfunctioning or there was other good cause to replace it.

12. There were no items identified for placement on the next regular meeting agenda.

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



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Secretary

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155

### NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting at Workspace Suites, 16517 Longenbaugh Drive, Houston, Texas 77095.

The meeting will be held at **6:00 p.m. on Monday, July 18, 2022**.

The subject of the meeting is to consider and act on the following:

**CONSENT AGENDA:** The following items are considered routine by the Board and will be enacted by one motion if appropriate. No separate discussion will occur on these items unless a Board member or member of the public so requests, in which event, the item will be considered on the Regular Agenda.

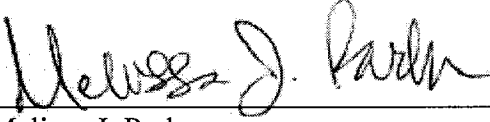
1. Approve minutes of meeting held on June 20, 2022
2. Tax assessor-collector's report and payment of invoices
3. Bookkeeper's report and payment of invoices; review and approve investment report

**REGULAR AGENDA:** Consideration of and action on the following items, plus any items removed from the Consent Agenda.

1. Presentation of public comments
2. Approve qualifications of director elected in May, 2022; accept oath and statement of elected official; conflict of interest disclosure; open government training
3. Election of officers
4. Review draft budget(s) for Fiscal Year Ending 8/31/2023
5. Review ethics letter and update by Investment Officer
6. Operator's report; review active connections and water accountability; status of operation, maintenance, and repair of District facilities; consider customer appeals; approve termination of service on delinquent accounts; status of manhole repairs; proposal to sandblast and paint fire hydrants
7. Discuss weather conditions and review District's Drought Contingency Plan; authorize action, as appropriate
8. Engineer's report, including:
  - a. status of electrical work and load analysis at water plant;
  - b. status of rehabilitation work at joint sewage treatment plant and funding for same;
  - c. status of design, phasing of backslope interceptor and fence replacement project; and
  - d. authorize preparation of plans as appropriate; authorize advertising for bids; award contracts; approve change orders.
9. Report from Michael's Maintenance

10. Interlocal Agreement with Harris-Galveston Subsidence District for Water Wise program
11. Pending business, including:
  - a. comments from/discussion with other participants in regional facilities;
  - b. response to TCEQ notice of alleged violations;
  - c. status of billing under emergency water supply contract with Harris County MUD No. 163; and
  - d. items for placement on next meeting agenda
12. Executive Session as necessary Authorized under Texas Government Code Ann., §551.071
13. Reconvene in Open Session and act on matters discussed in Executive Session, as necessary



  
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Melissa J. Parks  
Attorney for the District