

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 166  
Minutes of Meeting of Board of Directors  
October 21, 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 October 21, 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, with the exception of Directors Knickerbocker and Mendel, thus constituting a quorum.

Also attending the meeting were Mirna Bonilla-Odums of Inframark, LLC ("Inframark"); Debbie Arellano of Bob Leared Interests, Inc. ("BLI"); Jason Hajduk and Eve Blakemore of IDS Engineering Group ("IDS"); Ravi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"); Barbara Nussa of Republic Services, Inc. ("Republic"); Travis Benes of Storm Water Solutions, L.P. ("SWS"); Justin Jenkins of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Brian Williams and Katy Keese of Pulte Homes of Texas, L.P. ("Pulte"); and Eric Lai and Melanie Walsh 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 September 16, 2022. After discussion, Director Grzanka moved that the minutes of the September 16, 2022, Board meeting be approved, as written. Director Cox seconded the motion, which unanimously carried.

#### **TAX ASSESSOR-COLLECTOR REPORT**

Ms. Arellano presented to and reviewed with the Board the tax assessor-collector report for the month of September 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 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 Grzanka seconded said motion, which unanimously carried.

Ms. Arellano also presented to and reviewed with the Board a list of the District's eligible uncollectible accounts as of October 10, 2022, a copy of which is attached to the tax assessor-collector report (**Exhibit A**). She advised that BLI recommends that the accounts be moved to the uncollectible roll. After review and discussion, it was moved by Director Cox, seconded by Director Grzanka and unanimously carried, that the delinquent accounts be moved to the uncollectible roll, as recommended by BLI.

#### **DELINQUENT TAX COLLECTIONS ATTORNEYS' REPORT**

Mr. Lai next presented the District's delinquent tax report dated October 21, 2022, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached as **Exhibit B**, and noted that no action was required on the matter at this time.

#### **PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2022 TAX RATE AND LEVY OF THE DISTRICT'S 2022 TAX RATE**

The Board conducted a public hearing regarding the imposition of a proposed debt service tax rate and a maintenance tax rate for 2022. It was noted that no District taxpayer appeared at the hearing. Upon motion made by Director Cox, seconded by Director Grzanka and unanimously carried, the hearing was closed.

The Board then discussed the setting of the 2022 tax rate. Ms. Arellano confirmed that the notice had been published in accordance with all legal requirements and as directed by the Board at its previous meeting. After discussion on the matter, Director Grzanka moved that: (i) the Board adopt the tax rate as proposed at the District's September 16, 2022, meeting and as reflected in the notice; (ii) the Board levy a 2022 debt service tax rate of \$0.45 per \$100 of valuation and a 2022 maintenance tax rate of \$0.26 per \$100 of valuation, resulting in a 2022 tax rate of \$0.71 per \$100 of valuation; and (iii) the Order Levying Taxes attached hereto as **Exhibit C** be adopted in connection therewith and that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Cox seconded said motion, which carried unanimously.

#### **AMENDMENT TO THE AMENDED AND RESTATED DISTRICT INFORMATION FORM**

Mr. Lai presented to and discussed with the Board an Amendment to the Amended and Restated District Information Form ("DIF") relative to the District's 2022 tax rate. After discussion regarding said form, Director Cox moved that the DIF be approved, that a majority of Board members be authorized to execute the amended DIF on behalf of the Board and the District, and that all Board members present join in the filing of the amended DIF, as evidenced by a majority of Board members executing same. Director Grzanka seconded the motion, which carried unanimously carried.

## **REIMBURSEMENT OF PULTE**

The Board next considered approval of a developer reimbursement audit for payment to Pulte from the District's surplus operating funds. Mr. Jenkins addressed the Board at this time and presented and reviewed a draft reimbursement audit report, a copy of which is attached hereto as **Exhibit D**. Mr. Hajduk reported that the pre-purchase inspection of the facilities at issue earlier that day revealed no deficiencies. Following discussion, Director Grzanka moved that the Board approve the report and authorize payment to Pulte, subject to Pulte's execution of a Receipt and Indemnity related to same. Director Cox seconded the motion, which unanimously carried.

## **BOOKKEEPER'S REPORT**

Mr. Patel then presented to and reviewed with the Board the Bookkeeper's Report, dated October 21, 2022, including the disbursements presented for payment. A copy of the report is attached hereto as **Exhibit E**. Following discussion, it was moved by Director Cox that the Bookkeeper's Report be approved, and that the disbursements identified in the report be approved for payment, with the exception of check nos. 7237 and 7240, which were voided. Director Grzanka seconded the motion, which unanimously carried.

## **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, Mr. Patel presented to and reviewed with the Board an energy report, a copy of which report is attached to the Bookkeeping Report (**Exhibit E**). Mr. Lai noted that no further action is required by the District.

## **INVESTMENT POLICY**

The Board next considered the annual review and amendment of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Order"), and adoption of an amended Order in connection therewith. Mr. Lai presented for the Board's consideration a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). Copies of the amended Order and Resolution are attached hereto as **Exhibit F**. Following discussion, Director Grzanka moved that the revised Order be adopted to reflect the proposed changes, and that the Board adopt the Resolution. Director Cox seconded said 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 G**. 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. 2 and Final from Underground Construction Services, LLC, in the amount of \$23,252.50, 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**

The Board deferred the approval of utility commitment requests at this time.

### **MAINTENANCE OF DETENTION AND DRAINAGE FACILITIES**

Mr. Benes presented and reviewed a Drainage Facilities Report provided by SWS, a copy of which is attached hereto as **Exhibit H**. He then presented and reviewed a letter of resignation from SWS, a copy of which is included with **Exhibit H**. Mr. Benes advised that SWS will continue to provide services to the District on a month to month basis pending the District's engagement of a new contractor. Following discussion, Director Cox moved that SPH be authorized to solicit proposals for maintenance of the District's detention and drainage facilities for consideration by the Board at a future meeting. Director Grzanka seconded the motion, which unanimously carried.

### **OPERATIONS AND MAINTENANCE REPORT**

Ms. Bonilla-Odums presented to and reviewed with the Board the Operations and Maintenance Report for the month of September 2022, a copy of which is attached hereto as **Exhibit I**. No action was taken by the Board at this time.

### **REPORT BY REPUBLIC SERVICES, INC.**

Ms. Nussa presented a verbal report to the Board in connection with services provided to the District by Republic. No action was taken by the Board at this time.

### **DEVELOPERS' REPORTS**

The Board next considered the developers' reports. In that regard, Mr. Williams addressed the Board at this time and noted that Pulte's projects within the District were completed. No action was taken by the Board.

### **ATTORNEY'S REPORT**

The Board next considered the attorney's report. In that regard, Mr. Lai presented and reviewed correspondence received from the West Harris County Regional Water Authority (the "Authority"), a copy of which is attached hereto as **Exhibit J**, regarding anticipated fee increases to become effective on January 1, 2023. He advised that an item will be included on the December agenda for the Board to consider amendment of the District's Rate Order in response to the anticipated increase in surface water fees charged by the Authority.

**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 Grzanka, seconded by Director Cox 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 Delinquent Tax Report
- Exhibit C Order Levying Taxes
- Exhibit D Draft Reimbursement Audit Report
- Exhibit E Bookkeeping Report
- Exhibit F Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
- Exhibit G Engineering Report
- Exhibit H Drainage Facilities Report; Resignation Letter
- Exhibit I Operations and Maintenance Report
- Exhibit J Correspondence from the West Harris County Regional Water Authority