

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
October 25, 2022

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 25, 2022, 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
Daniel Mushen, Assistant Secretary

all of whom were present, except Director Langley, thus constituting a quorum. Director Langley entered later in the meeting as noted herein.

Also present was Chad Walker of Quiddity Engineering, LLC ("Quiddity"); Jorge Diaz of McLennan & Associates ("McLennan"); Michelle Guerrero of Bob Leared Interests, Inc. ("Leared"); Kyle Donham of Si Environmental, LLC ("SE"); Debbie Shelton of Masterson Advisors, LLC ("Masterson"); Wendy Ramirez of FORVIS, LLP ("FORVIS"); 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 member of the public requested to make any comments.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board meetings held on September 27, 2022. Director Mushen noted a minor correction to said minutes. Following discussion, Director Mushen moved that the minutes of said meetings be approved, as revised. Director Vowell seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Diaz presented to and reviewed with the Board the Bookkeeper's Report, dated October 25, 2022, a copy of which is attached hereto as **Exhibit A**, 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. Director Vowell seconded said motion, which carried unanimously.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board next considered the annual review of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. In connection therewith, Ms. Free reviewed with the Board proposed changes to the Investment Policy which are being recommended by SPH. She then presented for the Board's consideration an amended Investment Policy and a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"), which are attached hereto as **Exhibit B**. After discussion on the matter, Director Mushen moved that (i) the revised Investment Policy be adopted to reflect the proposed changes, as recommended by SPH, (ii) the Board adopt the Resolution, and (iii) the President and Secretary be authorized to execute same. Director Vowell seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero reviewed the Tax Assessor-Collector's Report for the month of September 2022, a copy of which is attached hereto as **Exhibit C**, including the disbursements presented for payment from the District's Tax Account. After discussion, Director Mushen moved that the Tax Assessor-Collector's Report be approved and the disbursements identified therein 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. ("Perdue"), a copy of which is attached hereto as **Exhibit D**. 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 Mushen 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 after confirmation that renters do not reside in the affected addresses. Director Vowell seconded said motion, which carried unanimously.

PUBLIC HEARING REGARDING DISTRICT'S 2022 TAX RATE

Ms. Guerrero confirmed that the notice of the District's intention to adopt the District's proposed 2022 tax rate and of the public hearing to be held at today's meeting had been published in *The Houston Chronicle* in accordance with all legal requirements and as directed by the Board at its previous meeting. The Board then convened a public hearing regarding the District's imposition of a proposed debt service tax rate and maintenance tax rate for 2022. After noting that no members of the public were present at the meeting to offer comments regarding the proposed tax rate, the public hearing was closed.

Director Langley entered the meeting at this time.

LEVY OF THE DISTRICT'S 2022 TAX RATE

The Board next discussed the levying of the District's 2022 tax rate. After discussion on the matter, Director Mushen moved that: (i) the Board levy a 2022 debt service tax rate of \$0.21 per \$100 of assessed valuation and a 2022 maintenance tax rate of \$0.245 per \$100 of assessed valuation, resulting in a total 2022 tax rate of \$0.245 per \$100 of assessed valuation; and (ii) the Order Levying Taxes attached hereto as **Exhibit E** be adopted in connection therewith and the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Vowell seconded said motion, which carried unanimously.

AUTHORIZE EXECUTION OF AN AMENDMENT TO THE FOURTH AMENDED AND RESTATED DISTRICT INFORMATION

Ms. Free next presented to and discussed with the Board an Amendment to the Fourth Amended and Restated District Information Form (the "Amendment") relative to the levy of the District's 2022 tax rate. After discussion on the matter, Director Vowell moved that the Amendment be approved and that the Board members present be authorized to execute same on behalf of the Board and District. Director Mushen seconded said motion, which carried unanimously.

AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2022

The Board next considered approval of the District's annual audit report for its fiscal year ended June 30, 2022. In connection therewith, Ms. Ramirez presented to and reviewed in detail with the Board a draft of the District's audit report, a copy of which is attached hereto as **Exhibit F**. She then presented the Board with a draft Management Letter prepared by FORVIS, concerning the Board's internal controls over financial reporting. Ms. Ramirez 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 G**. After discussion concerning the audit presented, Director Mushen moved that: (i) the audit report for the District's fiscal year ended June 30, 2022, 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

The Board deferred consideration of the annual continuing disclosure report related to the District's outstanding bonds after noting that no report was received from McCall, Parkhurst & Horton, L.L.P., the District's disclosure counsel.

ENGINEER'S REPORT

Mr. Walker presented to and reviewed with the Board the Engineer's Report dated October 25, 2022, a copy of which is attached hereto as **Exhibit H**, relative to the status of various projects within the District. In connection therewith, he presented to and reviewed with the Board a Preliminary Summary of Costs for Bond Application Report No. 8 ("BAR No. 8"), a copy of which is included with the Engineer's Report. Mr. Walker further advised the Board of the status of BAR No. 8. Ms. Free then requested that the Board approve an Order Authorizing Application to the TCEQ for Approval of Project and Bonds, which is attached hereto as **Exhibit I**.

The Board next considered the proposed annexation of a 31 acre tract located west of Barker Cypress Road and south of and adjacent to Gummert Road (the "Subject Tract"). In connection therewith, he presented to and reviewed with the Board an Annexation Feasibility Study, including a proposal for surveying services on the Subject Tract, copies of which are attached hereto as **Exhibit J**. Discussion ensued regarding the Annexation Feasibility Study. It was noted that Mr. Alan Aschenbeck of Texas Tree Depot ("TTD") would be responsible for advancing funds to the District to cover the cost of the surveying services if he decides to proceed with the next step of the feasibility analysis.

Following discussion, Director Alvarado moved to (i) approve the Order Authorizing Application to the TCEQ for Approval of Project and Bonds, and authorize the President and Secretary to execute same on behalf of the Board and the District, (ii) authorize Quiddity to prepare and file BAR No. 8 with the TCEQ, subject to final review and approval by the District's consultants, (iii) authorize Quiddity to proceed with the proposed surveying services, subject to TTD's advance of funds for same, (iv) approve Quiddity's Texas Ethics Commission ("TEC") Form 1295 and authorize and direct SPH to acknowledge receipt of same with the TEC, and (v) authorize SPH to prepare a Development, Financing and Annexation Agreement between the District and TTD, including all conditions to annexation approved at the Board's September 27, 2022 meeting as discussed. Director Vowell seconded said motion, which unanimously carried.

UTILITY COMMITMENT LETTERS

The Board next considered requests for utility commitment letters. It was determined that this matter was previously discussed during the Engineer's Report.

OPERATIONS AND MAINTENANCE REPORT

Mr. Donham 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 K**. In connection therewith, he presented to and reviewed with the Board estimates received by SE on behalf of the District from Yellowstone Landscape in the amounts of \$2,125, and \$1,445, for landscape maintenance work at Water Well No. 1 ("WW1") and Water Well No. 2 ("WW2"), respectively, copies of which are included with the Operations and Maintenance Report.

Following discussion, Director Vowell moved to (i) authorize termination of accounts in accordance with the District's Rate Order, and (ii) authorize SE to proceed with the recommended landscape maintenance work at WW1 and WW2. Director Langley seconded said motion, which carried unanimously.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board next considered the status of the proposed administrative building. Following discussion, it was determined that no action was necessary in connection with the proposed administration building at this time.

SECURITY REPORT

Ms. Free presented the security report to the Board, a copy of which is attached hereto as **Exhibit L**.

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 M**. Upon review, the Board concurred that no action was required.


FUTURE AGENDA ITEMS

The Board did not request any items be place on future agendas other than those already discussed and regular, 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.




Assistant Secretary, Board of Directors

**Harris County Municipal Utility District No. 183
EXHIBITS**

- Exhibit A Bookkeeper's Report
- Exhibit B Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer and Amended Investment Policy
- Exhibit C Tax Assessor-Collector Report
- Exhibit D Delinquent Tax Collections Attorney Report
- Exhibit E Order Levying Taxes
- Exhibit F Draft Audit for fiscal year ended June 30, 2022
- Exhibit G Management Letter and Statement on Auditing Standards Letter
- Exhibit H Engineer's Report
- Exhibit I Order Authorizing Application to the TCEQ for Approval of Project and Bonds
- Exhibit J Annexation Feasibility Report and Proposal for Surveying Services
- Exhibit K Operations and Maintenance Report
- Exhibit L Security Report
- Exhibit M Annual Arbitrage Report

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