

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

January 11, 2023

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 11<sup>th</sup> day of January, 2023, 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	Secretary
Lynea Gallagher	Assistant Secretary
Vacant	Assistant Vice President

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

Also present at the meeting were Sherri Greenwood of Forvis, LLP; Jolie Craft of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Angela Airies 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 December 14, 2022, regular meeting and the minutes of the December 12, 2022, special meeting. After review and discussion, Director Pugh moved to approve the minutes of the December 14, 2022, regular meeting and the minutes of the December 12, 2022, special meeting, as submitted. Director Miller 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. There being no members of the public requesting to make public comment, Director Bugyi moved to the next agenda item.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2022

Ms. Greenwood reviewed the District's audit for the fiscal year ending September 30, 2022. Discussion ensued. After review and discussion, Director Gallagher moved to approve the audit, subject to final director and consultant review, authorize filing of the audit with the Texas Commission on Environmental Quality

("TCEQ") and direct that the audit be filed appropriately and retained in the District's official records. Director Pugh seconded the motion, which passed unanimously.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Airies 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.

Ms. Airies noted additional check number 14480 in the amount of \$1,962.36 payable to the TCEQ.

Ms. Higgins stated in accordance with the District's Investment Policy and the Public Funds Investment Act, the District's bookkeeper and the District's Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added the disclosure statements will be filed with the Texas Ethics Commission.

After review and discussion, Director Gallagher moved to (1) approve the bookkeeper's report and authorize payment of the District's bills; and (2) accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statement 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, with Director Gallagher absent for the vote.

#### REPORT ON LIST OF COMMERCIAL BUSINESSES WITHIN THE DISTRICT

There was no discussion on this item.

#### SALE OF SERIES B GROUNDWATER CREDITS

Ms. Higgins reported that the Board received an inquiry regarding the sale of Series B groundwater credits, to which ABHR responded.

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

The Board discussed work performed by Inframark throughout the District. Discussion ensued.

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

Mr. Brandenburg reviewed four 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 current message is the notice regarding cold weather tips. Following discussion, the Board concurred to keep the message regarding cold weather tips.

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.

Mr. Brandenburg reviewed and recommended approval of a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, an Addendum to Operator Service Agreement between the District and Inframark, and Processing Agreement with Central Bank.

Ms. Higgins discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. Mr. Brandenburg reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Ms. Higgins then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency.

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 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; (4) authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order and direct that it be filed appropriately and retained in the District's official records; (5) adopt the Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers; (6) approve an Addendum to Services Agreement between the District and Inframark; and (7) approve a Processing Agreement with Central Bank. 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 ("WHCRWA")

The Board discussed WHCRWA matters.

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 ("CCRWTP") operations and maintenance.

Ms. Craft updated the Board on the Phase 4 sanitary sewer rehabilitation and stated that V&S is preparing the plans for repairs.

The Board discussed the repair located at 3919 Vineyard Drive.

The Board discussed damage caused by AT&T and their contractors in the District while fiber optic lines were being installed. Ms. Craft noted that AT&T has been notified of the total amount of damages owed to the District. Discussion ensued.

Ms. Craft updated the Board on the status of a Notice of Violation from the TCEQ. She stated that V&S is addressing the next steps for remedying the violation.

Ms. Craft noted that the next well performance test is scheduled for March 2023.

Ms. Craft stated that the next GIS system update will be released in March.

Ms. Craft reviewed a seven-year Capital Improvements Plan with the Board, a copy of which is attached to the engineer's report. Discussion ensued.

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

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

The Board discussed the maintenance of Reflection Park.

ATTORNEY'S REPORT

Ms. Higgins reported on the District's compliance activities during the prior calendar year related to bond financings. She stated no corrective action is required at this time.

Ms. Higgins then reported that the District received a letter from the State of Texas regarding an audit for any District elections held between 2020 and 2022 and that ABHR has responded on the District's behalf.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

The Board discussed District matters and procedures for boil water notices.

APPOINTMENT OF A NEW DIRECTOR

There was no discussion on this item.

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



  
Secretary, Board of Directors

## ACTION LIST

1. Operator and engineer will work together on the repairs on the Phase 4 sanitary sewer rehabilitation.

LIST OF ATTACHMENTS TO MINUTES

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