

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155

Minutes of Meeting of Board of Directors

January 16, 2023

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 155 (“District”) met January 16, 2023, 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
Corey Manahan, Director

and the following absent:

Barbara Scott, Director.

Also present were Ms. Tonya Francis, District bookkeeper; Ms. Debbie Arellano, tax assessor-collector; Mr. John Taylor of Municipal Operations & Consulting; Mr. John Gerdes, District engineer; Mr. Michael Smith of Michael’s Maintenance Service, LLC; Mr. Jeff Penney of Harris County MUD No. 156; 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 December 19, which the Board approved as presented.

Tax assessor-collector’s report, copy attached, including invoices and a list of delinquent accounts. Through December 31, tax collections for 2022 are at 62.103% and for all prior years are 99.56% or higher.

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 Manahan, seconded by Director Wilhelm, the Board unanimously approved the items on the Consent Agenda, including checks as reflected on the tax assessor-collector’s and bookkeeper’s reports.

2. The Board further considered bookkeeping matters and discussed the \$41,223 Millbrook Drive fence replacement project mentioned last month during review of the 2022 audit. It appeared to the Board that if this amount had not already been transferred from the Capital Projects Fund account to the General Fund, it would like to consider doing so. The Board requested that the District’s consultants confer during the month and provide information necessary for the Board to act at next month.

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

4. The Board considered adoption of a general residence homestead tax exemption. It was reported to the meeting that under the Texas Constitution the District may exempt from ad valorem taxation by its own action up to 20% of the market value of each residence homestead owned by an adult and taxable by the District, but not producing an exemption of less than \$5,000 when such percentage is applied to a particular homestead. Those present discussed the various points for or against the District's adoption of this exemption. Upon motion duly made, seconded and unanimously carried, the Board adopted the attached Order providing for a general homestead exemption in the amount of 20% of the market value of residence homesteads for the year 2023.

5. The Board considered adoption of a 2023 homestead tax exemption for persons 65 years of age or older or disabled. The Constitution allows the District to exempt by its own action not less than \$3,000 of the assessed value of residence homesteads of persons 65 years of age or older or disabled from all ad valorem taxes thereafter levied by the District. Ms. Arellano stated 178 taxpayers are eligible for the over 65 exemption and 12 for the disabled exemption. If the Board granted a \$10,000 exemption this would result in approximately \$13,000 less District tax revenue in 2023. The Board took no action to adopt the exemption but requested an item be placed on next month's agenda to consider adjustment of the District's water and sewer fee schedule.

6. John Taylor presented an operations report, copy attached, reflecting 825 connections, including four vacancies. Water accountability during the month was 93%. The sewage treatment plant had operated at 39% of permitted capacity and within permitted parameters.

Mr. Taylor presented no uncollectable accounts for Board consideration of write-off this month but did note the District is not party to a contract with a collections firm for pursuit of such accounts. He presented a proposed contract from Collections Unlimited of Texas Inc. and reviewed its terms with the Board. The Board requested performance information about this company and agreed to defer further consideration at this time. Mr. Taylor then submitted a list of delinquent accounts to the Board for termination of utility service and stated that these customers have 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.

Mr. Taylor discussed repair of a leak on a 12-inch water main. He next discussed lift station pumps and the status of setting up an automatic backwash system. Mr. Taylor will continue working with Mr. Gerdes on this matter. He noted there is not an auto dialer at the lift station which collects waste from Copperstone and a portion of Copper Creek Section 1. After discussion, the Board took no action on installing an auto dialer. The Board then discussed

completion of electrical work at the water plant and its effect on managing power surges/spikes. The Board agreed that the District's current and past electricity bills should be reviewed to determine whether the issue has been addressed. After further discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the operator's monthly report.

7. John Gerdes presented an engineer's report, copy attached. A certificate of completion has been issued for the work by CFG Industries at the joint sewage treatment plant. Mr. Gerdes reported on the condition of the old electrical breaker at the plant and recommended replacing it with a newer version that would also be easier to access. Mr. Gerdes next reported that he will confer with the parks committee regarding commencement of the Phase 2 backslope interceptor and fence replacement project. Mr. Gerdes next discussed installation of a sidewalk on the other side of the street at the Longenbaugh finger channel between Copperstone and Copper Creek. The installation was to be located on a portion of a ditch which at one point was believed to be a Harris County Flood Control District (HCFCD) channel, and the engineer recommended obtaining a survey of the area and approval of HCFCD, but after discussion, the Board noted the channel has since been identified as the District's. Mr. Gerdes estimated the cost to construct the sidewalk at less than \$20,000. After discussion, the Board approved construction of the sidewalk and authorized the District's engineer and operator to coordinate the project, noting funding for same should come from funds on deposit in the General Fund designated for parks projects. After further discussion, the Board unanimously approved the engineer's report.

8. There were no matters related to the West Harris County Regional Water Authority for Board consideration.

9. Michael Smith presented and reviewed a landscape report, copy attached. Regular maintenance is on schedule and the irrigation system is operating normally. Mr. Smith reported that broken trees had been replaced as previously discussed. Mr. Smith recommended the Board consider adding irrigation lines in a few new areas and stated he would bring a proposal for Board review next month.

10. There were no comments from other participants in the regional sewage treatment facilities, but the first quarterly meeting of participants had occurred earlier in the month. Director Wilhelm reported generally on that meeting and said it had gone well.

11. The Board considered pending business and discussed flushing of fire hydrants at the apartment complex in the District. The Board expressed concerns about any stagnant water in the fire line. The Board also discussed the quality of sewage waste being discharged from the apartments. After further discussion, the Board indicated its intention at the next meeting to consider review and implementation of any provisions in the District's Rate Order addressing these situations and authorizing other action which may be appropriate.

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



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, January 16, 2023.**

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

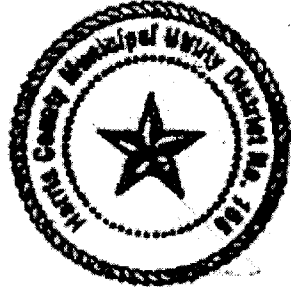
CONSENT AGENDA: The following items are considered routine by the Board and will be enacted by one motion if appropriate. No separate discussion will occur on these items unless a Board member or member of the public so requests, in which event, the item will be considered on the Regular Agenda.

1. Approve minutes of meeting held December 19, 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. Order Adopting Residence Homestead Exemption
3. Order Adopting Residence Homestead Exemption for Persons 65 or Older or Disabled
4. 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 ongoing projects
5. Engineer's report, including:
 - a. backslope interceptor and fence replacement project;
 - b. lift station backwash system;
 - c. extension of hike and bike trail; and
 - d. authorize preparation of plans as appropriate; authorize advertising for bids; award contracts; approve change orders
6. Matters related to West Harris County Regional Water Authority
7. Report from Michael's Maintenance
8. Pending business, including:
 - a. comments from/discussion with other participants in regional facilities; and
 - b. items for placement on next meeting agenda.

9. Executive Session as necessary Authorized under Texas Government Code Ann., §551.071
10. Reconvene in Open Session and act on matters discussed in Executive Session, as necessary



Melissa J. Parks

Melissa J. Parks
Attorney for the District