

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
December 22, 2020

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 December 22, 2020, 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
Carol Flores, Assistant Secretary

all of whom participated in the meeting via telephone conference call, thus constituting a quorum.

Also participating in the meeting via telephone conference call were Chad Walker and Aaron Bennett of Jones & Carter, Inc. ("J&C"); Dietra Bonds of Municipal Accounts & Consulting, L.P. ("MA&C"); Michelle Guerrero of Bob Leared Interests, Inc. ("Leared"); Matt Brown and Mike Thornhill of Si Environmental, LLC ("SE"); Rick O'Loughlin, a resident of the District; and Gina Free and Sabrina Johnston of Schwartz, Page & Harding, L.L.P. ("SPH").

EXPLANATION OF TELEPHONE CONFERENCE CALL MEETING PROCEDURES AND CALL TO ORDER

Ms. Free explained the procedures to be used during the telephone conference call meeting. In connection therewith, she informed the participants that the meeting would be recorded, and requested that each participant clearly state his or her name before speaking. Ms. Free further explained that she would conduct a roll call vote for all motions and that Board members should wait to vote on a motion until his or her name has been called. In addition, Ms. Free stated that a full roll call of all participants would be conducted for attendance purposes.

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 members of the public requested to make any comments.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the Board meeting held on November 24, 2020. A revision to the minutes was noted. Upon review, Director Alvarado moved that the

minutes of the Board meeting held on November 24, 2020, be approved, as revised. Director Vowell seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero reviewed the Tax Assessor-Collector's Report for the month of November 2020, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the District's Tax Account. After discussion, Director Alvarado moved that the Tax Assessor-Collector's Report be approved and that the disbursements identified in the Report 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 deferred consideration of a Delinquent Tax Collections Attorney's Report after noting that no report was received from Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

CONTINUING DISCLOSURE REPORT

Ms. Free next reminded the Board that the Annual Financial and Operating Report ("Annual Report") for the District's Series 2011 and Series 2018 Bonds prepared by McCall, Parkhurst & Horton, L.L.P. ("McCall"), the District's Disclosure Counsel, was approved last month. She advised that McCall has filed the report with the appropriate agencies.

ENGINEER'S REPORT

Mr. Bennett presented to and reviewed with the Board the Engineer's Report dated December 17, 2020, a copy of which is attached hereto as **Exhibit B**, relative to the status of various projects within the District.

Mr. Bennett advised the Board of the status of the Water Plant Motor Control Center Replacement Project (the "MCC Project"). In connection therewith, Mr. Bennett presented Pay Estimate No. 4 from Wingo Services Co., Inc. ("Wingo") in the amount of \$17,813.36 and Change Order No. 4 from Wingo in the amount of \$520.00. Following discussion, Director Alvarado moved to (i) approve Pay Estimate No. 4 from Wingo and authorize payment of same; and (ii) approve Change Order No. 4 from Wingo and authorize the President to execute same on behalf of the Board and the District. Director Vowell seconded said motion, which carried unanimously.

Mr. Bennett next advised that J&C has completed the 2020 Annual Water Plant Inspection and will present the report of said inspection at next month's Board meeting.

Mr. Bennett next presented a chart comparing options for the District's completion of a risk and resilience assessment of the District's facilities in compliance with the America's Water Infrastructure Act ("AWIA"), a copy of which is included with **Exhibit B**. Following a lengthy discussion regarding same, Director Alvarado moved to approve the assessment which satisfies

the minimum AWIA requirements for an estimated cost of \$8,000. Director Vowell seconded said motion, which carried unanimously.

UTILITY COMMITMENT LETTERS

The Board previously considered requests for utility commitments during the Engineer's Report.

2020 WATER LOSS AUDIT

The Board next considered authorizing the District's engineer and operator to perform a 2020 water loss audit. Ms. Free reported that pursuant to Section 16.0121 of the Texas Water Code, municipal utility districts providing potable water to members of the public are required to perform and file with the Texas Water Development Board, a water audit every five (5) years computing the utility's most recent annual system water loss. She further reported that the audits are to account for various components of system water loss, including distribution line loss, meter inaccuracies, accounting inaccuracies, and theft. Ms. Free stated that the information from the audits is to be compiled by the regional water planning area to be used in development of regional water plans under Section 16.053 of the Texas Water Code. After discussion on the matter, Director Alvarado moved that the District's operator and engineer be authorized to perform said 2020 water loss audit and file same with the Texas Water Development Board. Director Langley seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Bonds presented and reviewed with the Board the Bookkeeper's Report, dated December 22, 2020, a copy of which is attached hereto as **Exhibit C**, including the disbursements presented for payment from the District's various accounts. Following discussion, Director Alvarado moved that the Bookkeeper's Report be approved, and the disbursements identified therein, be approved for payment, including check nos. 9453 through 9458, which were presented, but were not listed in the Bookkeeper's Report. Director Vowell seconded said motion, which carried unanimously.

OPERATIONS AND MAINTENANCE REPORT

Mr. Brown presented to and reviewed with the Board the Operations and Maintenance Report for the month of November 2020, a copy of which is attached hereto as **Exhibit D**.

Mr. Brown reminded the Board that the semi-annual inspection and testing of all District fire hydrant units was approved by the Board at last month's meeting. In connection therewith, he advised that the work has been completed.

Mr. Brown then presented to and reviewed with the Board the delinquent customer accounts list, a copy of which is attached to the Operations and Maintenance Report. He then presented to and reviewed with the Board a Collections Report, a copy of which is attached to the Operations and Maintenance Report. In connection therewith, Mr. Brown recommended that the

Board consider authorizing SE to move the nine (9) accounts reflected on the attached report to the uncollectible roll, since all collection efforts to date have been unsuccessful. A discussion ensued regarding service disconnections.

Following discussion, it was moved by Director Alvarado, seconded by Director Vowell, and carried unanimously, that service terminations be deferred until after the holidays, and that SE be authorized to move nine (9) accounts in the total amount of \$836.12 to the uncollectible roll, as recommended by SE.

Mr. Brown exited the meeting at this time.

SECURITY REPORT

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

Ms. Free next presented to and reviewed with the Board the Interlocal Agreement for Law Enforcement Services between the District and Harris County, Texas, a copy of which is attached hereto as **Exhibit F**. Following discussion, Director Alvarado moved to approve the Interlocal Agreement for Law Enforcement Services. Director Vowell seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Ms. Free advised that she had nothing further of a legal nature to discuss with the Board at this time.

COMMUNITY DEVELOPMENT AND RECREATION FACILITIES

The Board next discussed options for constructing an administrative building in the District where the Board could meet, hold townhall meetings, have a drop box for customers to pay utility bills, and which could also be used by the District's operator as an office while in the District operating District facilities. The Board also discussed allowing the District's independent security officers or the Harris County Sherriff's Office to use the proposed building as needed. Following a lengthy discussion, Director Alvarado moved to authorize the District's consultants to (i) evaluate the District's options for building an administrative building for the District, and (ii) evaluate the cost for same and whether the District has sufficient funds to finance the project. Director Vowell seconded said motion, which carried unanimously.

Directors Langley and Pollard and Mr. O'Loughlin exited the meeting following this discussion.

CLOSED SESSION

The Board did not convene in Closed Session.

FUTURE AGENDA ITEMS

The Board did not request any items be placed on future agendas other than those already discussed and regular and on-going items.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Flores, seconded by Director Alvarado, and unanimously carried, the meeting was adjourned.



Secretary, Board of Directors

Harris County Municipal Utility District No. 183
EXHIBITS
December 22, 2020

- Exhibit A Tax Assessor-Collector Report
- Exhibit B Engineer's Report
- Exhibit C Bookkeeper's Report
- Exhibit E Operations and Maintenance Report
- Exhibit E Security Report
- Exhibit F 2021-2022 Interlocal Agreement for Law Enforcement Services