

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155**

Minutes of Meeting of Board of Directors

June 19, 2023

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 155 (“District”) met on June 19, 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  
Barbara Scott, Director

and the following absent:

None.

Also present were Ms. Tonya Francis, District bookkeeper; Ms. Debbie Arellano, tax assessor-collector; Mr. John Taylor of Municipal Operations & Consulting; Mr. John Gerdes of Texas Land Engineers, Inc.; 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 May 15, 2023, which the Board approved as presented.

Tax assessor-collector’s report, copy attached, including invoices and a list of delinquent accounts. Through May 31, the rate of collection of 2022 taxes is 98.789%.

Bookkeeper’s report, a copy of which is attached hereto, as well as invoices, a schedule of investments, and an investment report.

After discussion by the Board, upon motion duly made, seconded, and unanimously carried, the Board approved the items on the Consent Agenda, including checks as reflected on the tax assessor-collector’s and bookkeeper’s reports.

2. The Board discussed additional matters related to tax collections. Ms. Arellano presented a list of delinquent accounts eligible for transfer to the uncollectible roll. One personal property account appeared on the list, and after discussion, the Board authorized moving it to the uncollectible roll.

3. The Board considered additional bookkeeping matters. Ms. Francis reported that joint sewage treatment plant participants had responded well to the newly formatted monthly invoices. Payments are being timely received, and the net account balance is within the operating reserve requirement. Next the Board discussed check No. 1346 payable to the State Comptroller of Public Accounts. The check was written to remit to the comptroller's office unclaimed funds comprised mainly of account refunds never deposited or cashed by former District customers.

4. The Board opened the meeting for public comment. Mr. Penney commented that No. 156 is addressing problems with a drain in the greenbelt between No. 156 and Harris County MUD No. 173.

5. Ms. Parks reported that her office had transmitted the form via which the District's investment officers Jorge Diaz and Director Manahan can make their annual disclosures required under the Texas Public Funds Investment Act.

6. John Taylor presented an operations report, copy attached, reflecting 825 connections, including five vacancies. Total water accountability during the month was 97%, and when limited to within the District, it was 85%. The operators had recently located some leaks in the storm sewers which will soon be repaired. They will continue checking for leaks and other conditions which could be causing the low accountability. The joint sewage treatment plant operated at 45% of permitted capacity and within permitted parameters.

On the operator's recommendation, one account in the amount of \$2.19 was deemed uncollectable and recommended for write-off. Mr. Taylor then submitted a list of 36 delinquent accounts eligible for termination of utility service and stated that these customers had 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 the status of the water meter between the District and No. 156. As discussed last month, the Board had authorized purchase and installation of a new meter, and Mr. Taylor confirmed the item was on order. The Board directed communication be sent to No. 156 concerning joint payment for the meter under the interconnect agreement.

Mr. Taylor confirmed work had been completed on the gate at the sewage treatment plant. Mr. Taylor described a power outage on June 8 and to that end he reported that the battery in the sewage treatment plant generator has been replaced. He noted this generator is run weekly, and, once a month, power at the plant is turned off to allow the operators to observe whether the generator functions properly. The Board next discussed with Mr. Taylor and Mr. Gerdes the performance of the main electrical breaker at the sewage treatment plant as well as the breaker for the blowers. Mr. Gerdes continues working with an electrical engineer to evaluate retrofitting or replacing these breakers.

The Board requested that the operators investigate problems with a sidewalk and manhole on Innisbrook in the Brookside Court neighborhood. Mr. Taylor reported the operators had observed that a recently-replaced fire hydrant was leaning off center. The operators will correct this at their expense. After further discussion of operating matters, upon motion by Director Scott, seconded by Director Denmon, the Board approved the report as presented.

7. John Gerdes presented an engineer's report, copy attached. Mr. Gerdes reported on the status of work by Danny's Dozer Service, LLC for adjustment of a backslope interceptor and installation of inlets near an area of collapsed fence. The work is complete with the exception of replacement of a park sign, which the contractor will replace at its cost. Mr. Gerdes will coordinate with the contractor and Michael Smith so that the new sign is identical to the old one. Michael Smith will install grass in the area where the contractor worked and will coordinate with John Gerdes to arrange for watering of the new grass.

Mr. Gerdes reported the application for renewal of the District's waste discharge permit has been completed and submitted to the Texas Commission on Environmental Quality.

Mr. Gerdes discussed the main electrical breaker at the sewage treatment plant. He had obtained a proposal from Wildcat Electric Supply to bring two breakers up to current configuration and to obtain two new breakers. The Board and Mr. Gerdes reviewed the proposal in detail and agreed more information was necessary. Mr. Gerdes agreed to coordinate communications on the subject between electrical personnel on the District's operator's staff and this contractor so a recommendation can be formulated. He will then forward any such recommendation to Baird Gilroy Dixon for evaluation. Mr. Gerdes next briefly addressed electrical spikes at the water plant and noted no report or update had been received from Acclaim Energy. Finally, Mr. Gerdes confirmed he is preparing bid documents for painting the interior and exterior of ground storage tank No. 1. After further discussion of engineering matters, upon motion by Director Wilhelm, seconded by Director Scott, the Board voted unanimously to approve the engineer's report as presented.

8. Michael Smith presented and reviewed a monthly landscape report, copy attached. Regular maintenance is on schedule, and the irrigation system is operating normally. Mr. Smith requested authorization to water the bench trees two times a month in addition to the normal watering schedule. He recommended replacement in the fall of a broken elm tree by the bench. He then noted that he will be installing more sod than originally contemplated in the area where Danny's Dozer had worked due to the extended size of the work area.

John Gerdes described his communications with New Image Trees for removal and replacement of 24 trees. Last month the Board authorized this work subject to confirmation of the contractor's bonding and insurance and execution of a written contract. Mr. Gerdes reported New Image was unfamiliar with the general conditions within the contract document and was not willing to sign it. The Board discussed this matter with Mr. Smith and Mr. Gerdes. Mr. Smith indicated he is willing to cause removal and replacement of the trees under his landscape maintenance contract with the District and would engage New Image Trees as his subcontractor. He agreed to charge the District for the work at New Image's proposed pricing, without markup. After discussion, the Board authorized Mr. Smith to proceed as described in accordance with the terms of his landscape contract with the District.

The Board discussed cleaning and staining the back side of the fence running from the sewage treatment plant to the finger channel. Mr. Gerdes had previously obtained a proposal for this work. After discussion, a majority of directors, with Director Denmon abstaining, voted to direct Mr. Gerdes to have the contractor begin this work before the 24 trees are removed and replaced. Mr. Gerdes will coordinate the activities of the several contractors to be working in this area and will also communicate with the District's park committee.

9. Mr. Smith presented and reviewed a new contract for landscape maintenance between the District and Michael's Maintenance Service, LLC. At a previous meeting, Mr. Smith had requested Board consideration of an increase in his monthly rates. The proposed new contract reflected a 6.5% rate increase and encompassed the scope of all work currently being performed by Mr. Smith. The effective date of the new contract is July 1, 2023 and it will remain in effect through June 30, 2027 unless earlier terminated by either party upon 30 days' notice. After review and discussion, upon motion by Director Wilhelm, seconded by Director Scott, the Board voted unanimously to approve the new contract and authorized its execution by the proper District officers.

10. The Board discussed items for placement on the next meeting agenda. Mr. Taylor requested an item for Board consideration of an amendment to the operator's contract for a rate increase.

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

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Secretary