

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155

Minutes of Meeting of Board of Directors

July 17, 2023

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 155 (“District”) met on July 17, 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. Juan Salamanca 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 June 19, 2023, which the Board approved as presented.

Tax assessor-collector’s report, copy attached, including invoices and a list of delinquent accounts. Through June 30, the rate of collection of 2022 taxes is 98.99%.

Bookkeeper’s report, a copy of which is attached hereto, as well as invoices, a schedule of investments, and an investment report. Check No. 1351 written on the General Fund account payable to Texas Land Engineers, Inc. in the amount of \$18,517.30 was voided and will be discussed/paid next month.

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 and as set out above.

2. The Board opened the meeting for public comment. No public comment was offered, so the President moved to the next agenda item.

3. The Board noted the District's fiscal year will end August 31, 2023 and that proposed budgets for the general operating fund, regional sewage treatment plant, and joint water plant should be considered and reviewed prior to adoption. To that end, the Board agreed to hold a special meeting on August 5 to consider and discuss these budgets.

4. The Board considered the attached Resolution authorizing an increase in and establishing an annual limit on fees of office. Ms. Parks noted that the Texas Water Code was amended in the regular 2023 Texas legislative session to allow boards to increase the fees of office paid to directors. The fees can be increased to the amount of the per diem set by the Texas Ethics Commission for members of the state legislature, currently \$221 per day of service. The new legislation did not increase the \$7,200 annual limit on fees of office. After discussion, upon motion duly made, seconded, and unanimously carried, the Board adopted the attached Resolution authorizing the increase.

5. John Taylor presented an operations report, copy attached, reflecting 825 connections, including three vacancies. Total water accountability during the month was 93%, and when limited to within the District, it was 85%. The operators had recently repaired water leaks which should improve accountability next month.

On the operator's recommendation, one delinquent account in the amount of \$41.62 was deemed uncollectable and recommended for write-off. Mr. Taylor then submitted a list of 31 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 reported the Texas Commission on Environmental Quality's June 6 inspection of the joint sewage treatment plant was successful and no violations were alleged as a result of the inspection. Mr. Taylor then discussed work by subcontractor Rage to repair air drops that had fallen into the basin.

Mr. Taylor presented for Board execution a form for submission to the state Comptroller to claim \$25,000 in funds belonging to the District that escheated to the state. The funds appeared somehow related to the rating obtained by the District on its Series 2010 park bonds. After discussion, the Board authorized execution of the claim form. Thereafter, upon motion duly made, seconded, and unanimously carried, the Board approved the operator's report as presented.

6. The Board considered amendment of Municipal Operations & Consulting's contracts with the District. Mr. Taylor presented proposed second amendments to

the operator's professional services agreements for the District in general, for the joint wastewater treatment facility, and for the joint water plant. After brief discussion with Mr. Taylor, the Board indicated it would defer consideration of this matter until the next regular meeting to allow for further review of Exhibit B to each agreement in comparison to the Exhibit B approved for each original contract.

7. Juan Salamanca presented an engineer's report, copy attached. Mr. Salamanca reported on the status of the project for adjustment of the backslope interceptor and installation of inlets near an area of collapsed fence. He described installation of temporary irrigation facilities to water the new grass installed in the area where contractor Danny's Dozer Service had worked on this project. Michael Smith participated in this discussion and noted he had guaranteed satisfactory condition of the grass conditioned on proper arrangements being made for watering it, and there had been problems with the watering. Mr. Smith believes most of the grass will survive, but it remains to be seen. The Board agreed to discuss any remaining unresolved issues at its next meeting. It was then noted that installation of irrigation to the section by the bridge permanent will be undertaken at a later date. Danny's Dozer will install and bury the remainder of the two-inch irrigation line at no charge since the initial measurement was an estimate that turned out to be inaccurate.

Mr. Salamanca discussed the main electrical breaker at the sewage treatment plant and described discussion of the subject at the recent meeting of joint sewage treatment plant participants. The engineers had since met with the operator's master electrician who had recommended replacing only the main breaker. The engineers are having Wildcat Electric Supply revise its proposal accordingly and expect the work can be completed in one working day. There is an approximately 22-week lead time to obtain the equipment. If Wildcat updates its proposal prior to the next Board meeting, the engineers will provide it to the directors for review.

Finally, Mr. Salamanca stated the engineers had prepared bid documents for painting the interior and exterior of the District's ground storage tank No. 1 and requested Board authorization to advertise for bids. The estimated cost of the work is \$250,000. After discussion, the Board unanimously authorized advertisement for this project. Thereafter, upon motion by Director Wilhelm, seconded by Director Denmon, the Board voted unanimously to approve the engineer's report as presented.

8. There were no specific matters to discuss concerning the West Harris County Regional Water Authority.

9. As no findings or recommendations for the electricity demand response study had been submitted by Acclaim Energy, the Board tabled considered of the matter.

10. 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 reported the bench trees are still being watered more frequently than under the normal watering schedule. Finally, Mr. Smith reported there were water moccasins in the small Longenbaugh channel between Copper Creek and Copper Stone, and he plans to have them exterminated.

11. Ms. Parks presented a draft interlocal agreement with the Harris-Galveston Subsidence District for its annual Water Wise Program. After a brief discussion, the Board declined to participate in the program.

12. The Board discussed pending business, including last month's action to transfer to the uncollectible roll several personal property tax accounts delinquent more than four years or otherwise uncollectible. Director Manahan asked why there is no mechanism under the law for withholding issuance or renewal of vehicle/occupational/professional licenses or car insurance for persons whose personal property taxes are delinquent. Ms. Parks described collection of delinquent personal property taxes via water termination, seizure of property, or filing of a lawsuit, but noted she would research why the alternative methods mentioned above are not available.

There were no comments from participants in the regional waste treatment facilities and no items for placement on the Board's next meeting agenda.

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

Secretary