

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113

Minutes of Meeting of Board of Directors

July 11, 2023

The Board of Directors (“Board”) of Harris County Water Control and Improvement District No. 113 (“District”) met on July 11, 2023, at 14707 Dale Hollow Lane., Cypress, Texas, pursuant to the duly posted notice of said meeting with a quorum of directors present as follows:

Carolyn Maniscalco, Vice President
Darren Hoyland, Secretary
David Robicheaux, Director
Scott McCorkle, Director

and the following absent:

Ken Atchison, President.

Also in attendance were Mr. Scott Shelnett of Municipal Operations & Consulting, Inc.; Ms. Michelle Guerrero of Bob Leared Interests; Mr. Christopher T. Burke of Burke Engineering, LLC; and Mr. Douglas McNeil, attorney for the District.

The Vice President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board opened the floor for public comment. As no members of the public were in attendance, there were no public comments.

2. The Board reviewed the minutes of its meeting held June 13, 2023, and upon motion made by Director Robicheaux, seconded by Director McCorkle, and unanimously carried, the Board approved the minutes as presented.

3. Ms. Michelle Guerrero presented the tax assessor-collector’s report. The District’s 2022 taxes are 97.869% collected. Upon motion made by Director Hoyland, seconded by Director McCorkle, and unanimously carried, the Board approved the tax assessor-collector’s report and the checks drawn on the tax fund.

4. Mr. Scott Shelnett presented the operator’s report. The operator’s report reflected 421 total connections in the District. Collections for the month were at \$28,899.97 with current billings at \$37,678.30. The report showed water accountability at 90.52% during the period of May 15, 2023 to June 14, 2023. Total water plant pumpage for the prior month was 4,921,000 gallons. There were no permit violations reported at the Wastewater Treatment Plant. The Board then reviewed the delinquent list which reflected three accounts were shutoff on June 27, 2023, two accounts have been paid and service restored, and one account remains shutoff.

Completed and pending action items were reviewed. Director Hoyland requested that Mr. Shelnutt discuss the recent billing increases related to the District's sewage rates. After discussion, it was determined the April 2023 update to Section 4.2 of the District's Rate Order and Fee Schedule increased the sewage rate. Previous to the update the sewage and solid waste collection rate were combined. Following the update, the sewage and solid waste collection rate were separated so total the sewage rate consisted of sewage rate plus the prevailing garbage rate. The Board concluded this raise in rates is probably too high and requested a discussion item regarding the rates be added to the District's August agenda. Upon motion made by Director Hoyland, seconded by Director Robicheaux, and unanimously carried, the Board approved the operator's report as presented.

5. Mr. Shelnutt requested that that the Board consider the 5.5 percent Consumer Price Index (CPI) increase in the operator's rate detailed in the Second Amendment to Professional Services Agreement between the District and Municipal Operations & Consulting, Inc. After discussion, upon motion made by Director Hoyland, seconded by Director Robicheaux, and unanimously carried, the Board approved the operator's request for a CPI fee increase of 5.5%.

6. Christopher T. Burke presented the engineer's report. Burke provided updates on the District's facilities and ongoing and upcoming projects. The engineer requested the Board authorize submission of the Texas Pollutant Discharge Elimination System (TPDES) Permit renewal application. Next, Mr. Burke informed the Board of a utility request from Water Engineers, Inc. and recommended the Board decline this request because he does not believe it is feasible. The Board agreed with Mr. Burke and asked that he communicate with Water Engineers, Inc. to inform them the District is declining the request. Lastly, Mr. Burke provided an update on the sanitary sewer system rehabilitation in the District. He estimates this project will cost between \$120,000 and \$150,000 and plans to bring updated plans to the Board in September. After discussion, upon motion made by Director Hoyland, seconded by Director Robicheaux, and unanimously carried, the Board approved the engineer's report as presented, authorized the submission of the TPDES Permit renewal application, and authorized the engineer to decline Water Engineers, Inc's utility request.

7. The Board then reviewed the bookkeeper's report. The District's operating fund contained \$2,091,658.48, the construction fund contained \$105,693.47, and the bond fund contained \$93,805.76. Upon motion by Director Hoyland, seconded by Director Robicheaux, and unanimously carried, the Board approved the bookkeeper's report and approved payment of the checks listed thereon.

8. The Board considered a Resolution Authorizing Increase and Establishing Annual Limit on Fees of Office. The attorney stated during the 88th regular legislative session, the Texas Legislature amended Section 49.060 of the Texas Water Code to provide a director is entitled to receive fees of office of not more than the amount of the per diem set by the Texas Ethics Commission for members of the legislature for each day the director spends performing his or her duties. The attorney noted currently the amount is \$221 per day with the \$7,200 per year cap for fees of office received remaining unchanged by the new law. After discussion, upon

motion by Director Hoyland, seconded by Director McCorkle, and unanimously carried, the Board approved the Resolution.

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


Secretary

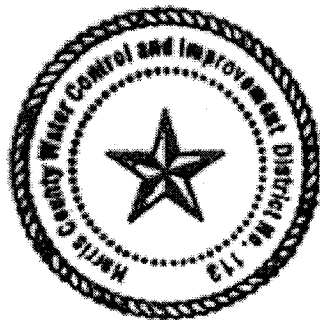
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NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested members of the public that the Board of Directors of the captioned District will hold a public meeting at **14707 Dale Hollow Lane, Cypress, Texas**. The meeting will be held at **7:00 p.m.** on **Tuesday, July 11, 2023**.

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

1. Public Comment
2. Minutes of the June 13, 2023 meeting
3. Tax assessor/collector's report; payment of bills; tax collections
4. Operator's report; status of operation of District facilities; authorize maintenance and repairs, as necessary; customer correspondence; termination of service to delinquent accounts; Consumer Confidence Report
5. Review of Operator's Contract for Increase in Fee for Labor Costs
6. Engineer's report; review and authorize proposed maintenance and repairs; authorize advertisement for bids, award of contracts and approve change orders, as necessary; Capital Improvement Plan, authorize additional design and construction as appropriate
7. Bookkeeper's report; payment of bills; investment of District Funds
8. Resolution Adopting Fees of Office



A handwritten signature in black ink, consisting of a stylized 'D' and 'C' followed by a horizontal line extending to the right.

Douglas C. McNiel
Attorney for the District