

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

September 13, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 147 (the "District") met in regular session, open to the public, on the 13th day of September, 2023, at 777 North Eldridge Parkway, Suite 500, Houston, Texas 77079 outside the boundaries of the District, and the roll was called of the members of the Board:

David E. Bugyi	President
Kay L. Pugh	Vice President
Michelle Miller	Secretary
Lynea Gallagher	Assistant Secretary
Kirt Rimpela	Assistant Vice President/Treasurer

and all of the above were present, thus constituting a quorum.

Also attending the meeting in person were Avni Patel of Forvis, LLC ("Forvis"); Spencer Day of Masterson Advisors, LLC ("Masterson"); Jolie Craft of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Angela Riley of District Data Services, Inc. ("District Data"); Clay Brandenburg and Randy Davila of Inframark Water & Infrastructure Services ("Inframark"); and Whitney Higgins and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the August 9, 2023, regular meeting. After review and discussion, Director Pugh moved to approve the minutes of the August 9, 2023, regular meeting, as submitted. Director Rimpela seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

Director Bugyi offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Bugyi moved to the next agenda item.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

Ms. Patel reviewed an engagement letter from Forvis, to perform the District's audit for the fiscal year ending September 30, 2023. After review and discussion,

Director Gallagher moved to engage Forvis to conduct the audit for the fiscal year ending September 30, 2023, authorize execution of the engagement letter, and direct that the letter be filed appropriately and retained in the District's official records. Director Miller seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Riley reviewed the bookkeeper's report, including the District's investments, a budget comparison, and a list of checks presented for approval, a copy of which is attached. Discussion ensued.

The Board then discussed the Chelford City Regional Wastewater Treatment Plant ("CCRWTP") budget for fiscal year end September 30, 2024, received by the Board on September 13, 2023. Discussion ensued. Following review and discussion, the Board concurred to table approval of the CCRWTP budget for fiscal year end September 30, 2024, in order to have time to review the proposed CCRWTP budget.

Ms. Riley reviewed a draft budget for the District for the fiscal year ending September 30, 2024, a copy of which is included in the bookkeeper's report. Discussion ensued regarding specific line items. Following review and discussion, Director Pugh moved to adopt the District budget for the fiscal year ending September 30, 2024, as discussed and revised.

Director Gallagher then moved to (1) approve the bookkeeper's report and authorize payment of the District's bills; and (2) authorize any interested Director's to attend the Association of Water Board Directors fall seminar. Director Rimpela seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez reviewed the tax assessor/collector's report, including the list of top delinquent taxpayers, a copy of which is attached. Discussion ensued. After review and discussion, Director Miller moved to approve the tax assessor/collector's report and payment of the tax bills. Director Gallagher seconded the motion, which passed unanimously.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Mr. Day distributed and reviewed a tax rate analysis reflecting the recommendation for the District to levy a 2023 maintenance and operations tax rate of \$0.45296 per \$100 of assessed valuation, based on the District's initial 2023 certified value of \$200,530,479.00. A copy of the tax

rate analysis is attached. Discussion ensued. Ms. Higgins discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Pugh moved to (1) set the public hearing date for October 11, 2023; and (2) authorize the tax assessor/collector to publish notice in the Houston Chronicle of the District's meeting on October 11, 2023, to set the proposed 2023 total tax rate of \$0.45296 per \$100 of assessed valuation. Director Miller seconded the motion, which passed unanimously.

REPORT ON LIST OF COMMERCIAL BUSINESSES WITHIN THE DISTRICT

There was no discussion on this item.

SALE OF SERIES B GROUNDWATER CREDITS

Ms. Higgins reported that no inquiries were received regarding the sale of Series B groundwater credits.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Davila reviewed a resident request for an adjustment to their water bill due to a leak at the resident's home. He stated the leak was on the resident's side of the meter. Discussion ensued. Following review and discussion, the Board concurred to deny the resident's request, and to follow the procedures under the Amended Rate Order and directed Inframark to offer a 6-month payment plan.

The Board then reviewed the operator's report, a copy of which is attached, including the status of District maintenance and repair items.

The Board discussed the message on the monthly utility bill. Mr. Davila stated that the current message is the notice regarding reporting leaks and water conservation. Following discussion, the Board concurred to keep the message regarding reporting leaks and water conservation.

Mr. Davila reviewed a proposal from Ski-bo's to replace the fence slats at the lift station for an estimated cost of \$740.00, a copy of which is attached to the operator's report.

The Board discussed work performed by Inframark throughout the District and Mr. Davila stated that a leak detection test would cost \$4,800.00.

The Board discussed high utility users for the month. The Board then considered terminating utility service to customers with delinquent accounts. Mr. Davila reviewed

a list of delinquent customers and noted the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order.

Following review and discussion, Director Miller moved to (1) approve the operator's report; (2) approve the proposal from Ski-bo's to replace the fence slats at the lift station for an estimated cost of \$740.00; and (3) authorize termination of service to the delinquent accounts presented if payment is not received prior to scheduled termination since none of the residents on the termination list were either present at the meeting or presented any statement on the matter, in accordance with procedures set forth in the District's Rate Order. Director Gallagher seconded the motion, which passed unanimously.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE ACTION, IF NECESSARY

There was no discussion on this item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

The Board reviewed correspondence from the WHCRWA regarding Drought Contingency matters, copies of which are attached. Discussion ensued.

ENGINEER'S REPORT

The Board reviewed the engineer's report, a copy of which is attached.

Ms. Craft updated the Board on the status of CCRWTP operations and maintenance.

Ms. Craft updated the Board on the Phase 4 sanitary sewer rehabilitation and reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$4,500.00 payable to TMS Utility.

Ms. Craft updated the Board on communication received regarding the acquisition of water line and water meter easements.

Ms. Craft updated the Board on the status of a Notice of Violation from the Texas Commission on Environmental Quality. She stated that V&S is addressing the next steps for remedying the violation.

Ms. Craft stated that the GIS system will be updated monthly.

Ms. Craft updated the Board on Harris County Municipal Utility District No. 120 matters.

Ms. Craft reported that a request was sent to Harris County Flood Control District to repair or replace a rusted outfall pipe adjacent to Reflection Park.

Following review and discussion, Director Gallagher moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 1 in the amount of \$4,500.00 for the Phase 4 sanitary sewer rehabilitation. Director Pugh seconded the motion, which passed unanimously.

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

The Board discussed the maintenance of Reflection Park. Director Bugyi reviewed a proposal from Texscape Services for landscaping at the park for a cost of \$13,304.32, a copy of which is attached. He then reviewed a maintenance contract with Texscape Services for an approximate monthly cost of \$928.13. Discussion ensued, and the Board concurred to discuss this further at the next meeting.

ATTORNEY'S REPORT

There was no discussion on this item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

There was no discussion on this item.

CONSULTANT REVIEW OF TAX ASSESSOR/COLLECTOR

The Board conducted a consultant review of the tax assessor/collector.

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




Secretary, Board of Directors

ACTION LIST

1. Operator will place signs regarding the current drought conditions in the District.
2. The Board will review the proposals for Reflection Park.

LIST OF ATTACHMENTS TO MINUTES

	Page <u>No.</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Tax rate analysis.....	3
Operator's report.....	3
Engineer's Report.....	4
Texscape Services proposals.....	5