

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149

Minutes of Board of Directors Meeting

October 16, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 149 (the "District") met in regular session, open to the public on October 16, 2023, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

John R. VanDyke, President
Stefanie Cline, Vice President
Margaret Petry, Secretary
Terrence Stephens, Assistant Secretary
Randall Kallus, Assistant Secretary

all of said persons were present, thus constituting a quorum.

Also present were: Jeffrey Bishop, Anna Katherine and Megan Norris Parker of Quiddity Engineering LLC ("Quiddity"); Missy Steadman and Randy Davila of Inframark, LLC ("Inframark"); Diane Michaux of Municipal Accounts & Consulting, L.P. ("MA&C"); Michelle Guerrero of Bob Leared Interests ("BLI"); Luis Cebrian of Champions Hydro-Lawn, Inc. ("Champions"); Jess Cline, District resident; and Katie Blasio, Michelle Guild and Matthew Reed of Schwartz, Page & Harding, L.L.P. ("SPH"). Andy Parker of Parker & Sanchez, PLLC ("Parker Sanchez") entered later in the meeting as noted herein.

PUBLIC COMMENT

The Board began by opening the meeting for public comments. There being no comments provided, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board reviewed the minutes of its September 18, 2023, Board meeting. After review and discussion of the minutes presented, Director Kallus moved that the minutes of the meeting held on September 18, 2023, be approved as presented. Director Stephens seconded said motion, which unanimously carried.

CHAMPIONS HYDRO-LAWN, INC. ("CHAMPIONS")

Mr. Cebrian presented to and reviewed with the Board the Detention and Drainage Facilities Report prepared by Champions dated October 2023, a copy of which is attached hereto as Exhibit A. He noted that no action was required by the Board at this time.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Guerrero presented to and reviewed with the Board the Tax Assessor-Collector's Report, dated September 30, 2023, a copy of which is attached hereto as Exhibit B. After discussion, Director Kallus moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Petry seconded said motion, which unanimously carried.

DELINQUENT TAX ATTORNEY'S REPORT

The Board deferred consideration of the Delinquent Tax Attorney's Report ("Report") from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), after noting that no report was received.

PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S PROPOSED 2023 TAX RATE

As the next order of business, the Board conducted a public hearing regarding the adoption of the District's proposed tax rate for 2023. There being no public comments offered, upon a motion made by Director Petry, seconded by Director Kallus and unanimously carried, such hearing was closed.

LEVY OF THE DISTRICT'S 2023 DEBT SERVICE AND MAINTENANCE TAX RATES

The Board discussed setting the District's 2023 tax rate. Ms. Guerrero confirmed that the notice of the District's intention to set a tax rate, a copy of which is attached hereto as Exhibit C, was published in *The Houston Chronicle* in accordance with all legal requirements and as directed by the Board at its September 18, 2023, meeting. After discussion on the matter, Director Petry moved that: (i) the Board adopt the total tax rate as proposed at the Board's September 18, 2023, meeting and as reflected in the notice; (ii) the District levy a 2023 maintenance tax rate of \$0.245 per \$100 of assessed valuation, and a debt service tax rate of \$0.26 per \$100 of assessed valuation for a total 2023 tax rate of \$0.505 per \$100 of assessed valuation; and (iii) the Order Levying Taxes, attached hereto as Exhibit D, be adopted in connection therewith, and the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Kallus seconded said motion, which unanimously carried.

APPROVAL AND EXECUTION OF AN AMENDED DISTRICT INFORMATION FORM

Ms. Blasio next presented and discussed with the Board an Amendment to the Amended District Information Form relative to the District's 2023 tax rate. After discussion regarding said form, Director Petry moved that the amended District Information Form be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Kallus seconded said motion, which carried unanimously.

Mr. Cebrian exited the meeting at this time.

BOOKKEEPER'S REPORT

Ms. Michaux presented to and reviewed with the Board the Bookkeeping Report, dated October 16, 2023, including the checks presented for payment, a copy of which is attached hereto as Exhibit E. After discussion on the matter, it was moved by Director Cline that the Bookkeeping Report be approved, and that the disbursements identified therein be approved for payment. Director Kallus seconded said motion, which unanimously carried.

STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING

The Board deferred consideration of the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting requirements until its next meeting.

REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), and the adoption of a Resolution in connection therewith. Ms. Blasio presented to and discussed with the Board an amended Investment Policy, and a Resolution Regarding Review of the Investment Policy (the "Resolution"), copies of which are attached hereto as Exhibit F. Ms. Blasio discussed the proposed amendments to the District's Investment Policy. After discussion on the matter, Director Cline moved that the amended Investment Policy be approved to reflect the proposed changes as discussed, that the Board adopt the Resolution and that the President and Secretary be authorized to execute the Investment Policy and the Resolution on behalf of the Board and the District. Director Petry seconded said motion, which unanimously carried.

OPERATOR'S REPORT

Mr. Davila presented to and reviewed with the Board the Operator's Report for the month of September 2023, a copy of which is attached hereto as Exhibit G.

Mr. Davila stated that Inframark is requesting authorization to conduct the District's water distribution system valve survey in the amount of \$13,455.00. Upon discussion, Director Kallus moved that Inframark be authorized to perform the District's water distribution valve survey in the amount of \$13,455.00. Director Stephens said motion, which unanimously carried.

Mr. Davila reported to the Board that the West Harris County Regional Water Authority sent a notice regarding its withdrawal of Stage 2 of its Drought Contingency Plan, and has reinitiated implementation of Stage 1 effective as of October 11, 2023, a copy of which is attached hereto as Exhibit G. He stated that Inframark will contact Off Cinco, the District's website provider, to send out notice to the District's residents enrolled to receive such notice.

Mr. Davila then presented to and reviewed with the Board the list of delinquent accounts for the prior month. He requested authorization to move two (2) accounts to collections in the total amount of \$683.45, and write-off three (3) accounts in the total amount of \$41.35. Upon discussion, Director Kallus moved that Inframark be authorized to forward said accounts to collections and those certain accounts be written off, as requested. Director Stephens seconded said motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Bishop presented to and reviewed with the Board a written Engineer's Report, dated October 13, 2023, a copy of which is attached hereto as Exhibit H, relative to the status of various projects within the District.

Mr. Bishop reported to the Board that three (3) bids were received for the 2023 Sanitary Sewer Rehabilitation project. He stated that Insituform Technologies, Inc. ("Insituform") submitted the low bid in the amount of \$355,261.05, and he recommended award of the contract to Insituform. Upon discussion, Director Stephens moved that the low bid in the amount of \$355,261.05 be approved, as recommended by Quiddity, and that the President and Secretary be authorized to execute same on behalf of the Board and District, subject to review of bonds. Director Cline seconded said motion, which unanimously carried.

Mr. Bishop presented to and reviewed with the Board Pay Estimate No. 26 in the amount of \$31,206.00 from CSA Construction, Inc. ("CSA") for the Wastewater Treatment Plant Replacement Project (the "Project"), and recommended approval of same. Upon discussion, Director Stephens moved that Pay Estimate No. 26 in the amount of \$31,206.00 from CSA be approved, as recommended by Quiddity. Director Cline seconded said motion, which unanimously carried.

A discussion ensued regarding the District's Water Plant Re-Build project. Ms. Blasio stated that Quiddity, SPH and Directors Cline and Petry reviewed and finalized a formal notice of the Water Plant Re-Build project to Harris County Municipal Utility District No. 257 ("No. 257") in accordance with the requirements of the Water Supply Agreement between the District and No. 257. After discussion, Director Stephens moved that SPH be authorized to send such notice to No. 257, on behalf of the Board and District. Director Cline seconded said motion, which unanimously carried.

RESOLUTION APPROVING SUBMITTAL OF THE PROJECT AWARDS APPLICATION FOR INCLUSION IN THE AWBD 2023 PROJECT AWARDS PROGRAM

Ms. Blasio presented to and reviewed with the Board a Resolution Approving Submittal of the Project Awards Application for Inclusion in the AWBD 2023 Project Awards Program ("Resolution"), a copy of which is attached hereto as Exhibit I. Upon discussion, Director Kallus moved that the Resolution be approved, and the Quiddity be authorized to submit an award application on behalf of the Board and District. Director Petry seconded said motion, which unanimously carried.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")

Director VanDyke reported to the Board regarding the activities of the Authority. He stated that there is a Town Hall meeting scheduled for November 8, 2023.

ATTORNEY'S REPORT

The Board next considered the attorney's report. Ms. Blasio inquired as to the Board's and consultants' availability to attend a holiday dinner on November 30, 2023. She stated that Michelle Guild will send out an email after the meeting to check availability.

Mr. Parker entered the meeting at this time.

FUTURE AGENDA ITEMS

Ms. Steadman inquired as to the Board's interest in moving the regular meeting time. Upon discussion, the Board deferred action. Ms. Blasio stated she would confirm whether there is conference room availability at 12:00 or 12:30 p.m. on the regular meeting date.

EXECUTIVE SESSION

The President announced at 2:50 p.m. that the Board would convene in Closed Session pursuant to Texas Government Code Section 551.071. All in attendance, with the exception of the Board and Mr. Parker, exited at this time.

The Board reconvened in Open Session at 3:14 p.m.

There being no further business to come before the Board, Director Stephens moved that the meeting be adjourned. Director Kallus seconded said motion, which unanimously carried.

Randall Kallus
Vice Secretary, Board of Directors

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149
EXHIBITS

October 16, 2023

- Exhibit A Champions Hydro-Lawn, Inc. Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Affidavit of Publication
- Exhibit D Order Levying Taxes
- Exhibit E Bookkeeping Report
- Exhibit F Resolution Regarding Review of the Investment Policy; Order Establishing Policy for Investment of District Funds
- Exhibit G Operator's Report; West Harris County Regional Water Authority
- Exhibit H Engineer's Report
- Exhibit I Resolution Approving Submittal of the Project Awards Application