

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
September 26, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 183 (the "District") met in regular session, open to the public on September 26, 2023, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Rudy Alvarado, President
Anthony (Jerry) Langley, Vice President
Chad Vowell, Secretary
Robert Pollard, Assistant Secretary
Daniel Mushen, Assistant Secretary

all of whom were present, thus constituting a quorum.

Also present was Chad Walker and Cameron Silvernail of Quiddity Engineering, LLC ("Quiddity"); Derek Davenport of McLennan & Associates ("McLennan"); Michelle Guerrero of Bob Leared Interests, Inc. ("Leared"); Corey Andujar of Si Environmental, LLC ("SE"); Ricardo Martinez of Martinez Architects ("Martinez"); and Gina Free and Sabrina Johnston of Schwartz, Page & Harding, L.L.P. ("SPH"). Debbie Shelton of Masterson Advisors LLC ("Masterson"), and Rick O'Loughlin, a resident of the District, entered the meeting following the call to order as noted herein.

Following the roll call, the President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board deferred consideration of public comments after noting that no members of the public were in attendance.

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the regular Board meeting held on August 22, 2023, and the special Board meeting held on August 30, 2023. Following discussion, Director Vowell moved that the minutes of said meetings be approved, as written. Director Mushen seconded said motion, which unanimously carried.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board next considered the status of the proposed administrative building. In connection therewith, Mr. Martinez advised the Board of the status of the bidding and construction documents and the timeframe for completion of same. A discussion ensued regarding generator options and the timing of delivery of same. Following discussion, Director Vowell moved to authorize Martinez to proceed with advertisement for bids, subject to review and approval of the civil design plans by Quiddity and the Construction Subcommittee. The motion was seconded by

Director Langley, and with Directors Langley, Vowell, Mushen, and Pollard voting in favor of such motion, and with Director Alvarado abstaining, the motion passed.

Mr. O'Loughlin entered the meeting during the above discussion.

Mr. Martinez exited the meeting following his report.

PUBLIC COMMENTS CONT.

The Board next reconsidered comments from the public. Mr. O'Loughlin advised that he is now managing the Windsong Community Homeowner's Association's ("Windsong HOA") Facebook page and website. In connection therewith, he asked whether certain notifications to District customer could be sent in both English and Spanish. The Board discussed said request. Mr. O'Loughlin next requested information regarding enforcement of the District's Drought Contingency Plan to which Mr. Andujar responded.

BOOKKEEPER'S REPORT AND INVESTMENT REPORT

Mr. Davenport then presented to and reviewed with the Board the Bookkeeper's Report, dated September 26, 2023, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the District's various accounts, and the District's Investment Report for the period ended August 31, 2023, a copy of which is included with the Bookkeeper's Report. The Board next considered the proposed amended operating budget for the District's fiscal year ending June 30, 2024, a copy of which is included with the Bookkeeper's Report. Discussion ensued regarding certain line items in the proposed amended budget. Following discussion, Director Vowell moved that (i) the Bookkeeper's Report be approved, (ii) the disbursements identified therein be approved for payment, including check nos. 11019 through 11024, which were not included in the Report, (iii) the Investment Report for the reporting period ended August 31, 2023, be approved, and the District's Investment Officer be authorized to execute same on behalf of the Board and the District, and (iv) the amended operating budget for the District's fiscal year ending June 30, 2024, be adopted. Director Pollard seconded said motion, which unanimously carried.

Ms. Shelton entered during the Bookkeeper's Report.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero then reviewed the Tax Assessor-Collector's Report for the month of August 2023, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for payment. After discussion, Director Vowell moved that the Tax Assessor-Collector's Report be approved and the disbursements identified in the Report be approved for payment. Director Mushen seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board next considered the Delinquent Tax Collections Attorney's Report (the "Delinquent Report") from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), a copy

of which is attached hereto as **Exhibit C**. Ms. Free advised that Perdue has requested authorization to terminate water service to eligible delinquent accounts, as listed in the Delinquent Report. Following discussion, Director Vowell moved that Perdue and SE be authorized to send water termination letters to those eligible accounts with a base tax due in an amount over \$500.00, as listed in the Delinquent Report, in accordance with the District's Rate Order. Director Langley seconded said motion, which carried unanimously.

FINANCIAL ADVISOR'S 2023 TAX RATE RECOMMENDATION

There next followed a discussion concerning the requirements for notice of the District's intention to adopt a 2023 tax rate. Ms. Free advised that, pursuant to the Texas Water Code, as amended, the District is required to provide a notice containing certain tax-related information in connection with the meeting at which the adoption of a tax rate will be considered. She further advised that the information to be included in the notice is set forth in the Texas Water Code and includes the proposed tax rate to be adopted. Ms. Free advised that the District must provide the notice by either (1) publishing it at least once in a newspaper having general circulation in the District at least seven (7) days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least ten (10) days before the date of the meeting.

Ms. Shelton then presented and reviewed with the Board Masterson's 2023 Debt Service Tax Rate Recommendation, a copy of which is attached hereto as **Exhibit D**. After discussion on the matter, Director Vowell moved that the District's tax assessor-collector be authorized to publish notice of the District's intention to adopt a 2023 debt service tax rate of \$0.20 per \$100 of assessed valuation and a 2023 maintenance tax rate of \$0.245 per \$100 of assessed valuation, at its next meeting in the form and at the time required by law. Director Mushen seconded said motion which unanimously carried.

ENGINEER'S REPORT

Mr. Walker next presented to and reviewed with the Board the Engineer's Report dated September 26, 2023, a copy of which is attached hereto as **Exhibit E**, relative to the status of various projects within the District, and discussed the matters contained therein. In connection therewith, he presented to and reviewed with the Board a scope memo and preliminary cost estimate for the Sanitary Sewer Cleaning and Televising Phase 3 project, a copy of which is included with the Engineer's Report. Following discussion, Director Vowell moved to (i) approve Pay Estimate No. 2 in the amount of \$10,913.40 from Aranda Industries, LLC ("Aranda") for the construction of the Sanitary Sewer Extension to serve the Shops at Barker, (ii) approve Pay Estimate No. 2 in the amount of \$9,756.00 from Aranda for the construction of the Sanitary Sewer Extension to serve the Plaza at Barker, and (iii) authorize Quiddity to proceed with the Sanitary Sewer Cleaning and Televising Phase 3 project in accordance with the scope memo for an estimated cost of \$311,000. Director Pollard seconded said motion, which carried unanimously.

The Board next considered the installation of security cameras at the District's water plant facilities. In connection therewith, Mr. Walker presented to and reviewed with the Board proposals from NT Security USA LLC for the installation of either five (5) or (7) security cameras at Water Well No. 1 and Remote Well No. 1 in the amounts of \$7,534.85 and \$10,499.15, respectively,

copies of which are included with the Engineer's Report. Following discussion, Director Vowell moved to authorize Quiddity to proceed with the installation of 7 security cameras as discussed. Director Langley seconded said motion, which carried unanimously. A discussion then ensued regarding required services necessary to install said cameras, including, but not limited to, access to Internet and Wi-Fi services for both water plant sites, and tree trimming at the well sites. Following discussion, Director Vowell moved to authorize Quiddity to obtain the required Internet and/or Wi-Fi services, and to coordinate with the District's consultants regarding same. The motion was seconded by Director Pollard and carried by unanimous vote. Director Langley then advised the Board of required maintenance of the back gate at Water Well No. 1 and requested additional information for review by the Board at its next Board meeting.

Mr. Walker next advised the Board that recent water well performance test results show a significant decrease in pump submergence at both water wells. In connection therewith, he then requested that the Board authorize Quiddity to conduct additional performance testing at Water Well No. 1 until an increase in pump submergence is observed. Following discussion, it was moved by Director Vowell, seconded by Director Pollard, and unanimously carried, that Quiddity be authorized to proceed with the additional performance testing at Water Well No. 1, as requested.

UTILITY COMMITMENT LETTERS

The Board deferred the issuance of utility commitments, as no requests for same had been received.

AMENDMENT TO THE DISTRICT'S RATE ORDER

Ms. Free next reminded the Board of the water and sewer rate increases approved at last month's Board meeting. In connection therewith, she presented to and reviewed with the Board an amended Rate Order for consideration, attached hereto as **Exhibit F**. Ms. Free noted that the proposed Rate Order incorporates said water and sewer rate increases. Following discussion, Director Vowell moved that the District's Rate Order be amended, as presented, effective October 1, 2023, and all prior Rate Orders be revoked. Director Pollard seconded said motion, which unanimously carried.

OPERATIONS AND MAINTENANCE REPORT

Mr. Andujar presented to and reviewed with the Board the Operations and Maintenance Report for the month of August 2023, a copy of which is attached hereto as **Exhibit G**. In connection therewith, he advised that SE received an appeal from a customer disputing usage for July 2023 and requesting an adjustment. A discussion ensued regarding said appeal.

Following discussion, Director Vowell moved to (i) authorize the termination of accounts in accordance with the District's Rate Order, (ii) deny the customer appeal received, (iii) authorize SE to proceed with tree trimming and gate maintenance at Water Well No. 1 and Remote Well No. 1, as discussed during the Engineer's Report, (iv) authorize SE and SPH to coordinate translation of future notices to District customers, and (v) authorize SE to order additional Drought Contingency Plan signs. Director Pollard seconded said motion, which carried unanimously.

SECURITY REPORT

Ms. Free presented the security report to the Board, a copy of which is attached hereto as **Exhibit H**.

Ms. Free next reminded the Board that it previously requested revisions to the District’s current Independent Contractor Agreement to adjust the contractors’ compensation rates and to require contractors to regularly patrol the District’s facilities. Following discussion, Director Vowell moved to approve the revisions, as discussed. Director Langley seconded said motion, which carried unanimously.

Mr. O’Loughlin exited the meeting during the above discussion.

COMMUNICATION WITH DISTRICT RESIDENTS

The Board next considered communication with the District's residents. Following discussion, the Board concurred to remove said matter from future agendas.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Ms. Free presented to and reviewed with the Board a notice from the West Harris County Regional Water Authority advising the District that there will be no increase to current groundwater reduction plan fees and surface water fees at this time. A copy of said notice is attached hereto as **Exhibit I**.

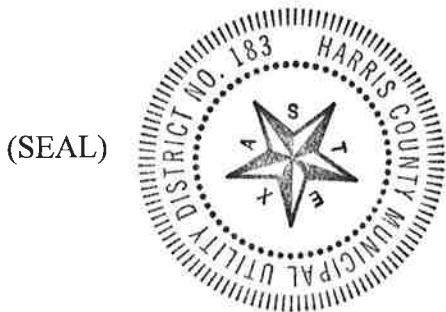
FUTURE AGENDA ITEMS

The Board did not request any items be place on future agendas other than those already discussed and regular, on-going items.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Vowell, seconded by Director Langley, and unanimously carried, the meeting was adjourned.


Secretary, Board of Directors



**Harris County Municipal Utility District No. 183
EXHIBITS**

Exhibit A	Bookkeeper's Report
Exhibit B	Tax Assessor-Collector Report
Exhibit C	Delinquent Tax Collections Attorney Report
Exhibit D	Tax Rate Recommendation
Exhibit E	Engineer's Report
Exhibit F	Rate Order
Exhibit G	Operations and Maintenance Report
Exhibit H	Security Report
Exhibit I	West Harris County Regional Water Authority Notice

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