

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 157

Minutes of Meeting of Board of Directors

November 21, 2023

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 157 (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Harris County, Texas, on November 21, 2023 in accordance with the duly posted notice of the meeting, with a quorum of directors present as follows:

Leonard Spearman, President
Perla I. Flores, Vice President
Betty Niblett, Secretary
Jason Valenzuela, Director

and the following absent:

None.

Also present were Ms. Pamela Redden of McLennan & Associates, LP; Mr. Lee Crenshaw of Municipal District Services; Ms. Shammarie Leon of Bob Leared Interests; Ms. Keli Schroeder of Brown & Gay Engineers, Inc.; Ms. Karen Sears of Storm Water Solutions; Ms. Terese Wahl and Mr. James D. Bonham, by teleconference attorney for the District.

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

1. The Board reviewed the minutes of the meeting of November 21, 2023, and upon unanimous vote, the minutes were accepted and approved.

2. The Board then discussed certain revisions to the Rate Order and Schedule of Water and Sewer Service Fees and Rates. It was determined that the Order and Schedule should be amended to reflect the increase in the operator’s fees to the District. Upon unanimous vote, the Board approved the amended Rate Order and Schedule of Water and Sewer Service Fees and Rates, attached hereto.

3. Mr. James Bonham addressed the Board regarding insurance proposals. In light of a premium increase from its current agent, an additional proposal from McDonald & Wessendorff was requested. Following discussion, the Board accepted the proposal from McDonald & Wessendorff.

4. The attorney informed the Board of receipt of a notice from 3M and DuPont that the District has been identified as a member of a class-action lawsuit involving those entities and their production of PFAS, also known as “forever chemicals.” He noted that, after consultation with other attorneys familiar with the matter, his firm’s recommendation is for the District to opt out of the class action, as any funds received as a result of the class action settlement were not likely to be significant enough if the District had to remove PFAS from its drinking water. At this time, the District has sampled for PFAS and found the presence to be

significantly under allowable limits. The operator will report as to the cost of continued sampling. Mr. Bonham presented a Resolution Authorizing Opt-Out and/or Filing a Request for Exclusion from the Nationwide Class-Action Settlements related to PFAs and associated affidavits. Upon motion duly made, seconded, and unanimously carried, the Board approved the resolution and related paperwork as presented.

5. Ms. Pamela Redden presented the bookkeeper's report reflecting activity in all accounts including the sewage treatment plant account. The Board considered invoices presented by the bookkeeper and a schedule of District investments. The Board also reviewed the comparison of actual versus budgeted revenues and expenditures for the general fund and sewage treatment plant account for the fiscal year ending December 31, 2023. After review and discussion, upon unanimous vote, the Board approved the bookkeeper's report and the checks listed thereon.

6. Ms. Shammarie Leon presented the tax assessor/collector's report reflecting the District's 2023 taxes to be 0.105% collected and the 2022 taxes to be 98.914% collected. The Board reviewed activity in the tax account and a schedule of delinquent taxes. Upon motion duly made, seconded, and unanimously carried, the Board approved the tax assessor/collector's report and the checks drawn on the tax account.

7. Mr. Lee Crenshaw presented the operator's report reflecting the total connections in the District to be 4,159. The Board reviewed the regulatory information and the water production and consumption data reflecting 88.22% of the water pumped during the previous month had been accounted for. The West Harris County Regional Water Authority has now rescinded all drought contingency plan stages. The operator reported on the operation of the water plants and the sewage treatment plant and reviewed with the Board the required repairs and maintenance to the District's facilities. The Board also reviewed the billing and collections data which appear in the report. After discussion, upon unanimous vote, the Board approved the operator's report including all action items and authorized termination of service to all customers with delinquent accounts in accordance with the District's Rate Order.

8. Ms. Keli Schroeder presented the engineer's report. An hourly rate with cost estimate proposal was presented from BGE for overseeing the wastewater treatment plant improvement contract with C3 Constructors and a quote from Ninyo & Moore was presented for materials testing. A Capital Improvement Plan was also presented to the Board. Discussion followed regarding timing and funding for the proposed projects. It was noted that any capital project funds that were not dedicated to a specific project should be spent first to avoid an arbitrage concern based on interest rates. The District could also prepare for a small bond issue to fund certain repairs. After discussion by the Board, upon unanimous vote, the Board approved the engineer's report and approved the proposals presented.

9. Ms. Karen Sears of Storm Water Solutions then presented a report on the maintenance of all properties cared for by Storm Water Solutions. A proposal for clean out of sedimentation and for regrading the Barker Village Section 1 detention pond and a second proposal for repair of a trash screen at Cross Creek were presented for approval. After discussion, the Board approved the Storm Water Solutions report and the proposals presented.

10. Under pending business, President Spearman addressed the Board regarding a potential increase in cost for dedicated law enforcement services. The Harris County Commissioners Court is expected to vote on Dec. 5 on the discontinuation of the 70% / 30% program by the County for future contracts and he is planning to attend the meeting.

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


Secretary

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 157
NOTICE OF PUBLIC MEETING

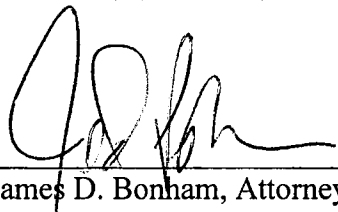
Notice is hereby given to all interested members of the public that the Board of Directors of the captioned district will hold a public meeting at **2727 Allen Parkway, Suite 1100, Houston, Texas 77019**.

The meeting will be held at **12:00 p.m. on Tuesday, November 21, 2023.**

The subject of the meeting is to receive public comment on, consider and act on the following:

1. Minutes of Board of Directors Meeting(s)
2. Bookkeeper's Report; Checks and Invoices; Investment of District Funds; Investment Policy; Wastewater Treatment Plant and General Fund Budgets; Depository Pledge Agreement(s)
3. Tax Assessor/Collector's Report; Invoices and Checks; Delinquent Tax Collections; Investment of District Funds; Tax Rate; Tax Exemptions
4. Operator's Report; Operation, Maintenance and Repair of District Facilities; Water Quality Report; Waste Discharge Permit; Customer Appeals; Rate Order; Termination of Service on Delinquent Accounts
5. Amend Rate Order
6. Engineer's Report; Design of Facilities; Advertisement for Bids; Construction Contract(s), Pay Estimate(s) and Change Order(s); Utility Commitments; Annexation of Land; Permit Matters; Proposal(s)
7. Storm Water Management Report
8. Insurance Proposal
9. Adopt Resolution Opting Out of Class Action Settlement
10. Other Matters: Order Appointing Director; Travel and Reimbursement Policy; Insurance; Consultant Contracts; Solid Waste Collection Contract; Contract for Electric Power; Arbitrage Compliance; Engage Auditor; Audit Report; Application to Texas Commission on Environmental Quality; Drought Contingency Plan; Water Conservation Plan; Continuing Disclosure; Issuance of Bonds; Elections; Contract for Law Enforcement Services
11. Pending Business
12. Executive Session as necessary to consider matters authorized under Texas Government Code Ann., §551.071, et seq.




James D. Bonham, Attorney for the District