

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
October 24, 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 October 24, 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"); Avni Patel of FORVIS, LLP ("FORVIS"); Rick O'Loughlin and Rick Gomez, residents of the District; and Gina Free and Sabrina Johnston of Schwartz, Page & Harding, L.L.P. ("SPH").

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 considered comments from the public. Mr. Gomez addressed the Board regarding damage caused to a CenterPoint electrical conduit and cable caused by Aranda Industries ("Aranda") during Aranda's construction of a sanitary sewer line extension at 5734 Barker Cypress Road. Following discussion, the Board concurred to defer consideration of said matter until later in the meeting.

OPERATIONS AND MAINTENANCE REPORT

Mr. Andujar presented to and reviewed with the Board the Operations and Maintenance Report for the month of September 2023, a copy of which is attached hereto as **Exhibit A**. In connection therewith, he advised the Board that the District's water accountability decreased during the previous month. He further advised that SE is investigating the cause of said decrease and will update the Board at its next meeting. It was noted that no specific action is required of the Board in connection with the Operations and Maintenance Report at this time.

EXECUTIVE SESSION

The Board then convened in Executive Session at 12:12 p.m., as authorize by Section 551.071, Texas Government Code. All those present at the meeting exited except for the Board, Mr. Walker, Mr. Silvernail, Ms. Free and Ms. Johnston.

The Board reconvened in Open Session at 1:02 p.m. All those previously present at the meeting reentered the meeting, with the exception of Mr. Andujar.

Director Vowell then made a motion to (i) authorize SPH and McEown Law, PLLC, the District's construction counsel, to prepare and send correspondence to Aranda demanding that Aranda restore power to the Windsong HOA's electrical meter and to coordinate with CenterPoint regarding same, which repair may require a new cable or the moving of the electrical meter, and (ii) designate Directors Alvarado and Pollard as a subcommittee authorized to review and approve said correspondence before the District's next meeting. The motion was seconded by Director Langley, and unanimously carried.

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the regular Board meeting held on September 26, 2023. Following discussion, Director Vowell moved that the minutes of said meeting be approved, as written. Director Langley seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT AND INVESTMENT REPORT

Mr. Davenport then presented to and reviewed with the Board the Bookkeeper's Report, dated October 24, 2023, a copy of which is attached hereto as **Exhibit B**, 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. In connection therewith, Mr. Davenport responded to questions and concerns of the Board regarding the District's Cash Flow Forecast and the remaining balance due to the District from Emergency Services District No. 9 ("ESD No. 9"). Following discussion, the Board requested that an agenda item be included for next month's meeting to review the District's Cash Flow Forecast.

Following discussion, Director Vowell moved that (i) the Bookkeeper's Report be approved, (ii) the disbursements identified therein be approved for payment, and (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. Director Alvarado seconded said motion, which unanimously carried.

**COMPLIANCE BY DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2264
RELATIVE TO ENERGY REPORTING REQUIREMENTS**

The Board next considered the status of compliance by the District with Texas Government Code, Chapter 2265, relative to energy reporting requirements. In connection therewith, Mr. Davenport advised the Board that the Utility Usage & Expense report was included with the Bookkeeper's Report. Ms. Free reminded the Board that, pursuant to the energy efficiency and reporting requirements set forth in Texas Government Code, Chapter 2265, the District must prepare an annual report on its metered usage of electricity and the aggregate costs for same. Mr. Davenport noted that the Utility Usage & Expense report satisfies the statutory reporting requirements.

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

The Board next considered the annual review of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. In connection therewith, Ms. Free reviewed with the Board proposed changes to the Investment Policy which are being recommended by SPH. She then presented for the Board's consideration an amended Investment Policy and a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"), which are attached hereto as **Exhibit C**. After discussion on the matter, Director Vowell moved that (i) the revised Investment Policy be adopted to reflect the proposed changes, as recommended by SPH, (ii) the Board adopt the Resolution, and (iii) the President and Secretary be authorized to execute same. Director Langley seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero then reviewed the Tax Assessor-Collector's Report for the month of September 2023, a copy of which is attached hereto as **Exhibit D**, 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 E**. Ms. Free reminded the Board that it previously authorized Perdue and SE 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. Following discussion, Director Alvarado moved that Perdue and SE be authorized to proceed with water termination 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, and

subject to confirmation that renters do not reside at the affected addresses. Director Vowell seconded said motion, which carried unanimously.

PUBLIC HEARING REGARDING DISTRICT'S 2023 TAX RATE

Ms. Guerrero confirmed that the notice of the District's intention to adopt the District's proposed 2023 tax rate and of the public hearing to be held at today's meeting had been published in *The Houston Chronicle* in accordance with all legal requirements and as directed by the Board at its previous meeting. The Board then convened a public hearing regarding the District's imposition of a proposed debt service tax rate and maintenance tax rate for 2023. The Board deferred consideration of comments from the public, as no comments were presented. Upon motion made by Director Langley, seconded by Director Mushen and unanimously carried, the hearing was closed.

Mr. Gomez and Mr. O'Loughlin exited the meeting at this time.

LEVY OF THE DISTRICT'S 2023 TAX RATE

The Board next discussed the levying of the District's 2023 tax rate. After discussion on the matter, Director Vowell moved that: (i) the Board levy 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, resulting in a total 2023 tax rate of \$0.445 per \$100 of assessed valuation; and (ii) the Order Levying Taxes attached hereto as **Exhibit F** 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 Mushen seconded said motion, which carried unanimously.

AUTHORIZE EXECUTION OF AN AMENDMENT TO THE FOURTH AMENDED AND RESTATED DISTRICT INFORMATION

Ms. Free next presented to and discussed with the Board an Amendment to the Fourth Amended and Restated District Information Form (the "Amendment") relative to the levy of the District's 2023 tax rate. After discussion on the matter, Director Pollard moved that the Amendment be approved and that the Board members present be authorized to execute same on behalf of the Board and District. Director Langley seconded said motion, which carried unanimously.

AUDIT REPORT FOR FISCAL YEAR ENDED JUNE 30, 2023

The Board next considered approval of the District's annual audit report for its fiscal year ended June 30, 2023. In connection therewith, Ms. Patel presented to and reviewed with the Board a draft of the District's audit report, a copy of which is attached hereto as **Exhibit G**. She then presented the Board with a draft Management Letter prepared by FORVIS, concerning the Board's internal controls over financial reporting. Ms. Patel advised the Board that the Management Letter is being submitted in connection with the requirements of Statement on Auditing Standards No. 115, and includes the Management Response language prepared by SPH on behalf of the District, copies of which are attached hereto as **Exhibit H**. After discussion concerning the audit presented,

Director Vowell moved that: (i) the audit report for the District's fiscal year ended June 30, 2023, be approved, subject to final review and comment by SPH; (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District; (iii) such audit report and Annual Filing Affidavit be filed with the Texas Commission on Environmental Quality (the "TCEQ") by the applicable deadline; and (iv) the draft Management Response contained in the Management Letter and prepared by SPH be approved, as presented. Director Langley seconded said motion, which unanimously carried.

Ms. Patel exited the meeting following her report.

CONTINUING DISCLOSURE REPORT

The Board deferred consideration of the annual continuing disclosure report related to the District's outstanding bonds after noting that no report was received from McCall, Parkhurst & Horton, L.L.P., the District's disclosure counsel.

ENGINEER'S REPORT

Mr. Walker next presented to and reviewed with the Board the Engineer's Report dated October 19, 2023, a copy of which is attached hereto as **Exhibit I**, relative to the status of various projects within the District, and discussed the matters contained therein. He then reminded the Board that at last month's Board meeting it approved the installation of security cameras at Water Well No. 1 and Remote Well No. 1 by NT Security USA LLC, and authorized Quiddity to obtain the required Internet and/or Wi-Fi services, and to coordinate with the District's consultants regarding same. In connection therewith, he presented to and reviewed with the Board a list of options for internet services to both sites. Following discussion, Director Langley moved to authorize the Security Subcommittee to review and approve proposal(s) for internet services in an amount not to exceed \$5,000, subject to Quiddity's recommendation. Director Vowell seconded said motion, which carried unanimously.

UTILITY COMMITMENT LETTERS

Mr. Walker next advised the Board of a utility commitment request the District received for a proposed child care facility to be located at 5630 Barker Cypress Road. He further advised the Board that Quiddity would review the request and provide the Board with additional information at its next Board meeting.

DISCUSSION REGARDING THE DISTRICT'S DROUGHT CONTINGENCY PLAN

The Board next discussed the District's Drought Contingency Plan ("DCP"). It was noted that no specific action is required by the Board in connection with the District's DCP at this time.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board next considered the status of the proposed administrative building. In connection therewith, Mr. Walker advised the Board of the status of the bidding and construction

documents and the timeframe for completion of same. A discussion ensued regarding timing of advertisement for bids. 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 carried unanimously. Ms. Free advised that the bid tabulation for the proposed administrative building will be presented to the Board at its next meeting.

SECURITY REPORT

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

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Ms. Free presented to and reviewed with the Board an annual arbitrage rebate and yield restriction analysis prepared by Municipal Risk Management Group, L.L.C., a copy of which is attached hereto as **Exhibit K**. Upon review, the Board concurred that no action was required.

Ms. Guerrero, Director Vowell, and Director Langley exited the meeting during the Attorney's Report

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 Alvarado, seconded by Director Pollard, and unanimously carried, the meeting was adjourned.

(SEAL)



Dennis M. ...
Ass^t. Secretary, Board of Directors

Harris County Municipal Utility District No. 183
EXHIBITS

- Exhibit A Operations and Maintenance Report
- Exhibit B Bookkeeper's Report
- Exhibit C Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer and Amended Investment Policy
- Exhibit D Tax Assessor-Collector Report
- Exhibit E Delinquent Tax Collections Attorney Report
- Exhibit F Order Levying Taxes
- Exhibit G Draft Audit for fiscal year ended June 30, 2023
- Exhibit H Management Letter and Statement on Auditing Standards Letter
- Exhibit I Engineer's Report
- Exhibit J Security Report
- Exhibit K Annual Arbitrage Report

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