

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149

Minutes of Board of Directors Meeting

December 18, 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 December 18, 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 whom were present except Director Stephens, thus constituting a quorum.

Also present were: Jeffrey Bishop and Anna Katherine of Quiddity Engineering LLC ("Quiddity"); 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"); Aimee Raley of Texas Pride Disposal ("Texas Pride"); and Katie Blasio and Michelle Guild of Schwartz, Page & Harding, L.L.P. ("SPH").

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 deferred consideration of the minutes of its November 20, 2023, Board meeting.

CHAMPIONS REPORT

Mr. Cebrian presented to and reviewed with the Board the Detention and Drainage Facilities Report prepared by Champions dated December 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 November 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 Cline seconded said motion, which unanimously carried.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Blasio presented to and reviewed with the Board considered the Delinquent Tax Attorney's Report ("Report") from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), a copy of which is attached hereto as Exhibit C. Upon review, the Board concurred that no action was required.

BOOKKEEPER'S REPORT

Ms. Michaux presented to and reviewed with the Board the Bookkeeping Report, dated December 18, 2023, including the checks presented for payment, a copy of which is attached hereto as Exhibit D. After discussion on the matter, it was moved by Director Kallus that the Bookkeeping Report be approved, and that the disbursements identified therein be approved for payment. Director Cline seconded said motion, which unanimously carried.

Mr. Cebrian exited the meeting at this time.

Ms. Michaux requested authorization for MA&C to send the monthly sales tax revenue received pursuant to the District's Strategic Partnership Agreement with the City of Houston ("City") directly to the District's money market account. She stated that the funds are currently routed through MA&C to the money market account. Ms. Michaux stated that the District incurs a monthly fee to transfer the funds to the money market account from the general operating fund. A discussion ensued regarding the tracking of the monthly receipts on the Bookkeeper's Report. Ms. Michaux responded to questions from the Board. Ms. Guerrero stated that BLI also tracks the monthly sales tax revenue in its report. Upon discussion, Director Cline moved that MA&C be authorized to coordinate the direct deposit of the District's monthly sales tax revenue to the District's money market account. Director Kallus 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 November 2023, a copy of which is attached hereto as Exhibit E.

Mr. Davila responded to questions regarding the sludge removal expense listed in the Bookkeeper's Report. He stated that Inframark had to dismantle the bar screen auger at the Wastewater Treatment Plant ("WWTP") and remove debris and rags. Mr. Bishop stated that bar screen clogging occurs at other districts and is not isolated to the District. He stated that Quiddity will work with Inframark to monitor the bar screen and determine a better way to address the bar screen clogging.

Mr. Davila then presented to and reviewed with the Board the list of delinquent accounts for the prior month. He stated that the District's turn-off date is December 27, 2023, for those

certain unpaid accounts. Upon discussion, the Board concurred to retain the December turn-off date.

ENGINEER'S REPORT

Mr. Bishop presented to and reviewed with the Board a written Engineer's Report, dated December 14, 2023, a copy of which is attached hereto as Exhibit F, relative to the status of various projects within the District.

Mr. Bishop presented to and reviewed with the Board Pay Estimate No. 28 and Final in the amount of \$273,300.13 from CSA Construction, Inc. ("CSA") for the WWTP Replacement Project (the "Project"), including a Certificate of Substantial Completion and Project acceptance. Upon discussion, Director Cline moved that Pay Estimate No. 28 and Final in the amount of \$273,300.13 from CSA and the Certificate of Substantial Completion be approved and the Project be accepted, as recommended by Quiddity. Director Petry seconded said motion, which unanimously carried.

A discussion ensued regarding the scheduling of the final walk-through of the WWTP Plant. Mr. Bishop stated that Quiddity will email the Board once a date has been set so that any interested director may attend.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")

Director VanDyke reported to the Board regarding the Authority's Town Hall meeting that occurred on December 13, 2023. A copy of the meeting handout is attached hereto as Exhibit G.

VARIABLE ENVIRONMENTAL CHARGE LETTER FROM TEXAS PRIDE; CONSIDER AMENDMENT TO RESIDENTIAL SOLID WASTE COLLECTION CONTRACT

Ms. Raley presented to and reviewed with the Board a letter from Texas Pride requesting that the Board consider a Variable Energy Charge concerning the increased costs for diesel fuel, a copy of which is attached hereto as Exhibit H. Ms. Raley responded to questions from the Board. A lengthy discussion ensued regarding the current rate and the inclusion of a capped variable energy charge of 5%. Ms. Blasio stated that the Board should consider amending the District's Rate Order to include the requested variable energy charge at its next meeting. Upon discussion, Director Petry moved that the First Amendment to Residential Solid Waste and Recycling Collection Agreement with Texas Pride ("Amendment") be approved, subject to inclusion of a 5% cap on the Variable Energy Charge, and subject to SPH final review, including Texas Ethics Form 1295. Director Kallus seconded said motion, which unanimously carried. A copy of the Amendment is attached hereto with Exhibit H. Ms. Blasio stated that amendment of the District's Rate Order will be added to the next agenda.

ATTORNEY'S REPORT

The Board next considered the attorney's report. Ms. Blasio stated she did not have any updates to report to the Board regarding the litigation with Harris County Municipal Utility District No. 257.

FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. Except as may be reflected above, there were no additional agenda items requested other than routine, ongoing matters.

EXECUTIVE SESSION

The Board did not enter into Closed Session pursuant to Texas Government Code Section 551.071.

ADJOURNMENT

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


Secretary, Board of Directors

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149
EXHIBITS

December 18, 2023

- Exhibit A Champions Hydro-Lawn, Inc. Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Delinquent Tax Report
- Exhibit D Bookkeeping Report
- Exhibit E Operator's Report
- Exhibit F Engineer's Report
- Exhibit G West Harris County Regional Water Authority Meeting Handout
- Exhibit H Correspondence from Texas Pride Disposal and First Amendment to Residential Solid Waste and Recycling Collection Agreement