

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

January 10, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 147 (the "District") met in regular session, open to the public, on the 10th day of January, 2024, at 777 North Eldridge Parkway, Suite 500, Houston, Texas 77079 outside the boundaries of the District, and the roll was called of the members of the Board:

David E. Bugyi	President
Kay L. Pugh	Vice President
Michelle Miller	Secretary
Lynea Gallagher	Assistant Secretary
Kirt Rimpela	Assistant Vice President/Treasurer

and all of the above were present, thus constituting a quorum.

Also attending the meeting were Sherri Greenwood of Forvis, LLP; Taylor Reed of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Angela Riley of District Data Services, Inc. ("District Data"); Clay Brandenburg and Randy Davila of Inframark Water & Infrastructure Services ("Inframark"); and Whitney Higgins and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the December 13, 2023, regular meeting. After review and discussion, Director Rimpela moved to approve the minutes of the December 13, 2023, regular meeting, as submitted. Director Gallagher seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

Director Bugyi offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Bugyi moved to the next agenda item.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

Ms. Greenwood reviewed the District's audit for the fiscal year ending September 30, 2023. Discussion ensued. After review and discussion, Director Miller moved to approve the audit, subject to final director and consultant review, authorize filing of the audit with the Texas Commission on Environmental Quality ("TCEQ") and

direct that the audit be filed appropriately and retained in the District's official records. Director Gallagher seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Riley reviewed the bookkeeper's report, including the District's investments, a budget comparison, and a list of checks presented for approval, a copy of which is attached. Discussion ensued.

Ms. Higgins stated in accordance with the District's Investment Policy and the Public Funds Investment Act, the District's bookkeeper and the District's Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added the disclosure statements will be filed with the Texas Ethics Commission.

Following review and discussion, Director Gallagher moved to (1) approve the bookkeeper's report and authorize payment of the District's bills; and (2) accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statement be filed appropriately and retained in the District's official records. Director Pugh seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez reviewed the tax assessor/collector's report, including the list of top delinquent taxpayers, a copy of which is attached. Discussion ensued. After review and discussion, Director Gallagher moved to approve the tax assessor/collector's report and payment of the tax bills. Director Pugh seconded the motion, which passed unanimously.

REPORT ON LIST OF COMMERCIAL BUSINESSES WITHIN THE DISTRICT

Ms. Rodriguez updated the Board on commercial businesses in the District.

SALE OF SERIES B GROUNDWATER CREDITS

Ms. Higgins reported that no inquiries were received regarding the sale of Series B groundwater credits.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board reviewed the operator's report, a copy of which is attached, including the status of District maintenance and repair items.

Mr. Davila reviewed two abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the two accounts to the collection agency to pursue collection.

The Board discussed the message on the monthly utility bill. Mr. Davila stated that the current message is the notice regarding freeze preparation. Following discussion, the Board concurred to keep the message regarding freeze preparation.

The Board discussed work performed by Inframark throughout the District.

The Board discussed high utility users for the month. The Board then considered terminating utility service to customers with delinquent accounts. Mr. Davila reviewed a list of delinquent customers and noted the customers appearing on the termination list were given proper notice and an opportunity to explain, contest, or correct the utility service bills and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order.

Following review and discussion, Director Gallagher moved to (1) approve the operator's report; (2) authorize Inframark to turn over the two accounts with an outstanding balance in excess of \$25.00 to the collection agency; and (3) authorize termination of service to the delinquent accounts presented if payment is not received prior to scheduled termination since none of the residents on the termination list were either present at the meeting or presented any statement on the matter, in accordance with procedures set forth in the District's Rate Order. Director Pugh seconded the motion, which passed unanimously.

REVIEW AGREEMENT FOR CONSTRUCTION, FINANCING AND OPERATION OF WATER DISTRIBUTION, SANITARY SEWER AND DRAINAGE IMPROVEMENTS AND AUTHORIZE APPROPRIATE ACTION, IF NECESSARY.

The Board discussed the upcoming expiration of the Agreement for Construction, Financing and Operation of Water Distribution, Sanitary Sewer and Drainage Improvements.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE ACTION, IF NECESSARY

There was no discussion on this item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

The Board discussed WHCRWA matters and considered authorizing the operator to submit the Water Usage Reporting Form to the WHCRWA. Following

discussion, Director Gallagher moved to approve and authorize the operator to submit the Water Usage Reporting Form to the WHCRWA. Director Miller seconded the motion, which passed unanimously.

ENGINEER'S REPORT

The Board reviewed the engineer's report, a copy of which is attached.

Mr. Reed updated the Board on the status of Chelford City Regional Wastewater Treatment Plant operations and maintenance.

Mr. Reed updated the Board on the status of a Notice of Violation from the TCEQ. She stated that V&S is addressing the next steps for remedying the violation.

Mr. Reed stated that the GIS system will be updated monthly.

Mr. Reed updated the Board on the Capital Improvements Plan for 2024 and recommended that the Board authorize Inframark to begin the Phase 5 Sanitary Sewer Cleaning. Following discussion, Director Gallagher moved to authorize Inframark to begin the Phase 5 Sanitary Sewer Cleaning. Director Pugh seconded the motion, which passed unanimously.

Mr. Reed discussed the Environmental Protection Agency's ("EPA") revised lead and copper rule. She stated that a complete service line inventory is due in October 2024 and noted that V&S is beginning to gather the required reports.

Mr. Reed reported that a request was sent to Harris County Flood Control District to repair or replace a rusted outfall pipe adjacent to Reflection Park and noted that repair is scheduled for early 2025.

Mr. Reed discussed pavement that is settling on Vineyard Drive and discussion ensued.

Following review and discussion, Director Gallagher moved to approve the engineer's report. Director Miller seconded the motion, which passed unanimously.

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

The Board discussed the maintenance of Reflection Park. Director Bugyi reviewed proposals with the Board for landscaping at Reflection Park. Discussion ensued, and the Board concurred to discuss this further at the next meeting.

ATTORNEY'S REPORT

Ms. Higgins reported on the District's compliance activities during the prior calendar year related to bond financings. She stated no corrective action is required at this time.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

There was no discussion on this item.

DISCUSS CHELFORD CITY WASTEWATER TREATMENT FACILITY MEETING ATTENDANCE

The Board discussed Chelford City Wastewater Treatment Facility meeting attendance.

2024 DIRECTORS ELECTION

Ms. Higgins discussed procedures related to the 2024 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period. Following review and discussion, Director Gallagher moved to adopt a Resolution Designating an Agent of the Secretary of the Board During the 2024 Directors Election Period appointing Kerri Houck as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Miller seconded the motion, which passed unanimously.

Ms. Higgins reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election. Following discussion, Director Gallagher moved to authorize the Secretary's agent to post the notice as required. Director Miller seconded the motion, which passed unanimously.

Ms. Higgins discussed exemptions from using electronic voting systems during the 2024 Directors Election. She stated that the basis of the District's exemption is cancellation of the 2022 Directors Election. Following discussion, Director Gallagher moved to authorize the Secretary's agent to publish Notice of Exemption in a newspaper of general circulation. Director Miller seconded the motion, which passed unanimously.

The Board discussed pay for election officials during the 2024 Directors Election. Following discussion, Director Gallagher moved to set the pay for election officials at \$18.00 per hour. Director Miller seconded the motion, which passed unanimously.

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




Secretary, Board of Directors

ACTION LIST

1. Inframark will research high user accounts.
2. Attorney will review the Agreement for Construction, Financing and Operation of Water Distribution, Sanitary Sewer and Drainage Improvements further.
3. Operator will complete and submit the Water Usage Reporting Form.
4. The Board will review the proposals for Reflection Park.

LIST OF ATTACHMENTS TO MINUTES

	Page <u>No.</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Operator's report.....	2
Engineer's Report	4