

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 166
Minutes of Meeting of Board of Directors
September 15, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 166 (the "District") met in regular session, open to the public on September 15, 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:

Richard Love, President
Nano Cox, Vice President
Bill Grzanka, Secretary
Lisa Mendel, Assistant Secretary
Thomas C. Knickerbocker, Assistant Secretary

all of whom were present at the meeting, thus constituting a quorum.

Also attending the meeting were Mirna Bonilla-Odums, Mark Nelson, and Wayne Helmer of Inframark, LLC ("Inframark"); Odett Newman of Bob Leared Interests, Inc. ("BLI"); Eve Blakemore of IDS Engineering Group ("IDS"); Ravi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"), who entered later in the meeting as noted herein; Barbara Nussa of Republic Services, Inc. ("Republic"); Craig Rathmann of Rathmann & Associates, LP ("Rathmann"); and Eric Lai, Matthew Reed, and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

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 began by opening the meeting for public comments. There being no comments offered by the members of the public present, the Board continued to the next item of business.

MINUTES

The Board considered the minutes of its meeting held on August 18, 2023. After discussion, Director Grzanka moved that the minutes of the August 18, 2023, Board meeting be approved, as written. Director Knickerbocker seconded the motion, which unanimously carried.

Mr. Patel entered the meeting at this time.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Newman presented to and reviewed with the Board the tax assessor-collector report for the month of August 2023, including the disbursements presented therein for payment from the District's tax account. A copy of the report is attached hereto as **Exhibit A**. After discussion,

Director Grzanka moved that the tax assessor-collector report be approved and that the disbursements identified in the report be authorized for payment from the District's tax account. Director Cox seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS ATTORNEYS' REPORT

Mr. Lai next presented the District's delinquent tax report dated September 15, 2023, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached as **Exhibit B**, and noted that no action was required on the matter at this time.

FINANCIAL ADVISOR'S RECOMMENDATION CONCERNING THE DISTRICT'S PROPOSED 2023 TAX RATE

There followed a discussion concerning the requirements for notice of the District's intention to adopt a 2023 tax rate. Mr. Lai advised that, pursuant to the Texas Water Code, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. Mr. Lai further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. He 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 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 10 days before the date of the meeting.

Mr. Rathmann then presented to and reviewed with the Board the 2023 Tax Rate Recommendation, a copy of which is attached hereto as **Exhibit C**. After discussion on the matter, Director Cox moved that (i) the Board declare its intention to levy a proposed 2023 debt service tax rate of \$0.34 and a proposed maintenance tax rate of \$0.33 for a total tax rate of \$0.67, and (ii) that the District's tax assessor-collector be authorized to publish notice of the District's intention to adopt a 2023 total tax rate of \$0.67 at its next meeting in the form and at the time required by law. Director Grzanka seconded said motion, which unanimously carried.

Mr. Reed exited the meeting at this time.

BOOKKEEPER'S REPORT

Mr. Patel then presented to and reviewed with the Board the Bookkeeper's Report, dated September 15, 2023, including the disbursements presented for payment. A copy of the report is attached hereto as **Exhibit D**. Following discussion, it was moved by Director Mendel that the Bookkeeper's Report be approved, and that the disbursements identified in the report be approved for payment. Director Knickerbocker seconded the motion, which unanimously carried.

Mr. Patel additionally presented to and reviewed with the Board a Quarterly Investment Inventory Report (the "Quarterly Report") for the period ending June 30, 2023, a copy of which is included with **Exhibit D**. After further discussion of the Report and upon motion duly made by Director Mendel, seconded by Director Knickerbocker and unanimously carried, the Quarterly

Report was approved and the District's Investment Officer was authorized to execute same on behalf of the Board and the District.

Mr. Patel next presented and reviewed with the Board a draft budget for the District's fiscal year ending September 30, 2024, a copy of which is attached to the bookkeeping report (**Exhibit D**). After discussion on the matter, Director Mendel moved that the Board adopt the District's operating budget for fiscal year ending September 30, 2023, as presented. Director Knickerbocker seconded said motion, which carried unanimously.

ENGINEERING REPORT

Ms. Blakemore next presented to and reviewed with the Board the Engineering Report prepared by IDS relative to the status of various projects within the District, a copy of which report is attached hereto as **Exhibit E**. No action was taken by the Board at this time.

UTILITY COMMITMENT(S)

The Board deferred discussion of potential utility commitments, as it was noted that this matter was covered earlier in the meeting, under the engineer's report.

DETENTION AND DRAINAGE FACILITIES REPORT

The Board deferred review of a detention and drainage facilities report.

OPERATIONS AND MAINTENANCE REPORT

Ms. Bonilla-Odums 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 F**. She requested that Inframark be authorized to transfer one (1) delinquent account listed on the Operations and Maintenance Report totaling \$99.90 to Collections Unlimited for collection purposes. After discussion on the matter, Director Grzanka moved that the Board authorize Inframark to transfer said account as listed on Inframark's report to Collections Unlimited for collection purposes. Director Mendel seconded the motion, which unanimously carried.

REPORT BY REPUBLIC SERVICES, INC.

Ms. Nussa presented a verbal report to the Board in connection with services provided to the District by Republic. No action was taken by the Board at this time.

RATE ORDER

The Board next considered amending the District's Rate Order, including but not limited to an adjustment of the residential sanitary sewer rate based upon Republic's CPI adjustment for garbage collection and recycling services effective October 1, 2023. The Board considered increasing the District's residential sanitary sewer rate to cover Republic's increase in solid waste collection and disposal fees and the amendment of its Rate Order in connection therewith. Mr. Lai

advised that the rate for monthly solid waste collection and disposal services will increase from \$17.10 to \$17.99 per home, and that the rate for monthly recycling collection services will increase from \$4.15 to \$4.36 per home. He further advised that SPH has reviewed the District's contract with Republic and that Republic's proposed increase is consistent with same. After discussion on the matter, it was moved by Director Cox that: (i) the District increase its monthly flat fee for residential sanitary sewer and solid waste collection and disposal service from \$34.45 to \$35.55 in order to cover the solid waste collection and disposal rate increases, (ii) that any and all Rate Orders heretofore adopted be revoked, and (iii) that the Rate Order attached hereto as **Exhibit G** be passed and adopted to be effective as of October 1, 2023. Director Mendel seconded the motion, which unanimously carried.

DEVELOPERS' REPORTS

The Board deferred consideration of the developers' reports.

REIMBURSEMENT OF BLUSKY INTERESTS, LTD.

Mr. Lai noted that information had been requested from Blusky Interests, Ltd. by the District's financial advisor but that such information had not yet been received. As a result, the Board deferred consideration of reimbursement to Blusky Interests, Ltd. until the next meeting.

ATTORNEY'S REPORT

The Board next considered the attorney's report. Mr. Lai advised that he had nothing to report regarding legal matters other than those items which were previously addressed in the meeting.

A discussion ensued regarding the proposed establishment of a website for the District. No action was taken by the Board at this time.

EXECUTIVE SESSION

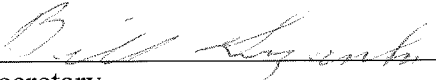
The Board determined it would not be necessary to enter into Closed Session pursuant to Texas Government Code, Section 551.071.

FUTURE AGENDA ITEMS

The Board next considered items for placement on future agendas. No specific agenda items, other than routine and ongoing matters, were requested.

ADJOURNMENT

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


Secretary

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LIST OF EXHIBITS TO MINUTES

- Exhibit A Tax Assessor Collector's Report
- Exhibit B Delinquent Tax Report
- Exhibit C 2023 Tax Rate Recommendation
- Exhibit D Bookkeeper's Report
- Exhibit E Engineer's Report
- Exhibit F Operations and Maintenance Report
- Exhibit G Rate Order