

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149**

### **Minutes of Board of Directors Meeting**

**February 19, 2024**

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 February 19, 2024, 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, thus constituting a quorum.

Also present were: Jeffrey Bishop and Anna Katherine Parker 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"); Deputy Melancon of On-Site Protection ("OSP"); Aimee Raley of Texas Pride Disposal ("Texas Pride"); Jess Cline and Grant Marco, District residents; and Katie Blasio, Matthew Reed, and Donje Chatmon of Schwartz, Page & Harding, L.L.P. ("SPH").

### **PUBLIC COMMENT**

The Board began by opening the meeting for public comments. Mr. Marco addressed the Board regarding his concerns with Texas Pride, the District's solid waste and recycling collector. He discussed his concerns with Texas Pride's service to his home and his communications with Texas Pride regarding same. SPH and the Board responded to various questions from Mr. Marco.

### **RESIDENTIAL SOLID WASTE AND RECYCLING SERVICES PROVIDED BY TEXAS PRIDE**

The Board then considered the solid waste and recycling services being performed by Texas Pride. Director Cline asked Ms. Raley various questions regarding Texas Pride communications with Mr. Marco and responses to his concerns, as well as questions regarding the containers and services provided by Texas Pride for trash and recycling collection. It was noted

by the Board that certain Texas Pride containers within the District say "Recycling" while others do not. Ms. Raley stated she will consider a solution to avoid confusion about containers, such as providing "Recycling Only" stickers to be added to such containers. The Board also received and discussed an informational newsletter prepared by Texas Pride. After discussion, the Board requested that Inframark send out the newsletter as a bill insert and that Texas Pride distribute such newsletter. The Board also concurred to authorize Inframark to add the Texas Pride newsletter to the Inframark Welcome Packet for water and sewer services.

Mr. Marco exited the meeting after this discussion.

### **APPROVAL OF MINUTES**

The Board considered approval of the minutes of its January 30, 2024 Board meeting. After review and discussion of the minutes presented, Director Kallus moved that the minutes of the meeting held on January 30, 2024 be approved subject to certain noted revisions to the Engineer's Report. Director Stephens seconded said motion, which unanimously carried.

### **CHAMPIONS REPORT**

Mr. Cebrian presented to and reviewed with the Board the Detention and Drainage Facilities Report prepared by Champions dated February 2024, a copy of which is attached hereto as Exhibit A. He noted that no action was required by the Board at this time.

Mr. Reed and Mr. Cebrian exited the meeting at this time.

### **TAX ASSESSOR-COLLECTOR REPORT**

Ms. Guerrero presented to and reviewed with the Board the Tax Assessor-Collector's Report, dated January 31, 2024, a copy of which is attached hereto as Exhibit B. After discussion, Director Petry moved that said report be approved and that the disbursements identified in the report be approved for payment from the tax account. Director Kallus seconded said motion, which unanimously carried.

### **DELINQUENT TAX ATTORNEY'S REPORT**

The Board deferred consideration of the Delinquent Tax Attorney's Report ("Report") from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), after noting that no report was received.

## **BOOKKEEPER'S REPORT**

Ms. Michaux presented to and reviewed with the Board the Bookkeeping Report, dated February 19, 2024, a copy of which is attached hereto as Exhibit C, including the disbursements presented therein for payment from the District's various accounts. Ms. Michaux then presented to and reviewed with the Board a Quarterly Investment Report for the period ending December 31, 2023, a copy of which is included with the Bookkeeper's Report. Ms. Michaux also presented to and reviewed with the Board the draft operating budgets for fiscal year ending March 31, 2025, copies of which are included with the Bookkeeper's Report. After discussion, Director Cline moved that the Bookkeepers Report and the Quarterly Investment Report be approved. Director Petry seconded said motion, which unanimously carried.

## **OPERATOR'S REPORT**

Mr. Davila presented to and reviewed with the Board the Operator's Report dated February 19, 2024, a copy of which is attached hereto as Exhibit D. Mr. Davila reported to the Board that the water distribution system valve survey has been completed. He discussed the mainline valve repairs that Inframark recommends and presented an estimate for such repairs totaling \$62,100, a copy of which is included in the Operator's Report. Upon discussion, Director Petry moved that the proposal in the amount of \$62,100 be approved for the repairs to the main line valves. Director Cline seconded said motion, which unanimously carried.

Mr. Davila then presented to and reviewed with the Board the list of delinquent accounts for the prior month. He requested authorization to move five (5) accounts to collections in the total amount of \$1,503.55. After discussion, Director Petry moved that (i) the items in the Operator's report be approved as requested, and (ii) Inframark be authorized to include a notice in a future bill regarding rags in the sewer line and to send a mass text relative to the same. Director Kallus seconded said motion, which unanimously carried.

Director VanDyke and Ms. Raley exited the meeting during this discussion.

## **REVIEW DROUGHT CONTINGENCY PLAN**

Ms. Blasio next discussed with the Board the requirements of Title 30, Section 288.30 of the Texas Administrative Code for retail public water suppliers such as the District to review and, if appropriate, revise their Drought Contingency Plan ("DCP") not later than May 1, 2024, and every five years thereafter. She then requested that the Board consider authorizing Quiddity and Inframark to review the District's DCP for any required updates. After discussion, Director Petry moved that the Quiddity and Inframark be authorized to review the District's DCP for any required updates. Director Cline seconded said motion, which unanimously carried.

## **ENGINEER'S REPORT**

Mr. Bishop presented to and reviewed with the Board the Engineer's Report, dated February 16, 2024, a copy of which is attached hereto as Exhibit E, relative to the status of various projects within the District.

Mr. Bishop reported to the Board that Insituform Technologies is currently cleaning and televising activities in preparation for the sanitary sewer rehabilitation work. He then notified the Board that the water line easement from Tracy Pham relative to the Arabella Plaza at 16302 FM 529 tract is pending signature by the landowner and lienholder. Mr. Bishop also provided an update to the Board on the water plant replacement project, advising the District is awaiting a decision from Harris County Municipal Utility District No. 257 regarding its participation in such project. He next updated the Board on the lead and copper rule revision requirements. After discussion, Mr. Bishop confirmed that there were no action items requiring the Board's approval at this time.

The Board next discussed and agreed upon scheduling a tour of the WWTP for March 4, 2024, at 9:00 a.m.

## **ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS**

The Board considered the review of an annual survey of prevailing wage rates for construction projects and the adoption of a Resolution in connection therewith. In that regard, Ms. Blasio reported that SPH is recommending that the District continue to adopt the prevailing wage rate scales for Harris County as determined by the United States Department of Labor ("DOL"), in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a et seq.). After discussion, Director Cline moved that the DOL wage rate scales for Harris County be adopted as the District's wage rate scale for construction projects, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, which is attached hereto as Exhibit E, be adopted by the Board. Director Stephens seconded said motion, which unanimously carried.

## **CONSIDER ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2024 TAX YEAR**

The Board deferred consideration of the adoption of Resolution Concerning Developed District Status for the 2024 Tax Year.

## **WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("AUTHORITY")**

The Board deferred consideration of a report from the Authority.

### **REVIEW OF RENEWAL PROPOSAL FOR DISTRICT INSURANCE COVERAGES**

The Board considered reviewal of the District's insurance policies. In connection therewith, Ms. Blasio presented to and reviewed with the Board an insurance proposal received from the District's current insurance provider, McDonald & Wessendorff ("McDonald"), relative to the renewal of the District's insurance policies and bonds, for a term expiring March 31, 2025. After discussion, Director Cline moved that McDonald's proposal, a copy of which is attached hereto as Exhibit G, be accepted. Director Petry seconded said motion, which unanimously carried.

### **ATTORNEY'S REPORT**

The Board next considered the attorney's report. Ms. Blasio presented to and reviewed with the Board the Annual Arbitrage Analysis Report, dated February 3, 2024, prepared by Municipal Risk Management Group, LLC ("MRMG") a copy of which is attached hereto as Exhibit H. She advised that MRMG recommends that the District engage Arbitrage Compliance Specialist, Inc. ("ACS") for preparation of an interim Yield Restriction Report for the District's Series 2020 Unlimited Tax Bonds (the "Arbitrage Report"). The Board asked that Ms. Blasio ask MRMG why such Arbitrage Report is required this year. After discussion, Director Cline moved that ACS be engaged to prepare the Arbitrage Report in accordance with such proposal and that the President be authorized to execute same on behalf of the Board and District (including the acceptance of the TEC Form 1295 from ACS, and authorized SPH to acknowledge the District's receipt of same with the TEC). Director Petry seconded said motion, which unanimously carried.

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

### **EXECUTIVE SESSION**

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

**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.

**ADJOURNMENT**

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

*Margaret Petry*  
Secretary, Board of Directors



List of Exhibits to  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 149  
Meeting on February 19, 2024

- Exhibit A Champions Hydro-Lawn, Inc. Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Bookkeeping Report
- Exhibit D Operator's Report
- Exhibit E Engineer's Report
- Exhibit F Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit G McDonald & Wessendorff Insurance Proposal
- Exhibit H Annual Maintenance for Arbitrage Analysis Report and Arbitrage Compliance Specialist Engagement Letter