

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 158

Minutes of Meeting of Board of Directors July 11, 2024

The meeting of the Board of Directors (“Board”) of Harris County Municipal Utility District No. 158 (“District”) was held at 2727 Allen Parkway, Suite 1100, Houston, Texas on July 11, 2024 in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Robert S. Lewis, President
Tony Pilegge, Secretary
Paul Daigle, Director
R. Ladd Johnson, Director

and the following absent:

Wayne McLemore, Vice President.

Also present were Ms. Debbie Arellano, Mr. Jared Martin, Mr. Robert Atkinson, Mr. Michael Baker, Mr. Scott Gray, Mr. Bob Ideus, Ms. Diane Soumang, and Mr. Wm. Scott Smith.

The meeting was called to order and declared open for such business as might regularly come before it.

1. The Board opened the floor for public comment. No public comment was presented.
2. The Board unanimously approved the minutes of the meeting held on June 13, 2024.
3. Ms. Arellano presented the tax assessor-collector’s report indicating 2023 taxes are 97.5% collected. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector’s report and the checks drawn on the tax fund.
4. There was no delinquent tax collection report for the month.
5. Mr. Martin presented the operator’s report indicating that water accountability was 96%. There are 2,199 connections within the District. During the recent hurricane event, electrical power was lost to the lift station and pump stations, but the generators were utilized with no issues, and power was restored yesterday. There were no water quality issues and no overflows as a result of the storm. The Board reviewed and approved the cut-off list for nonpayment, but in light of the fact that many residents are still without power and recovering from the hurricane, the Board authorized the operator to postpone the cut-offs for an additional week.
6. Mr. Gray presented the detention pond report for the month. He noted the report was prepared prior to the hurricane, and he had not yet been to the District to inspect the

ponds and facilities for damage or debris but will do so following today's meeting. He noted Harris County had renewed the storm water quality permit as is required annually.

7. Mr. Atkinson presented the engineer's report. He requested approval of Pay Estimate No. 8 and Final for the water line replacement project, and he noted the check for payment was included in this month's bookkeeping report. With respect to the Eldridge Parkway and Alief Clodine water line rehabilitation project, the project was bid on May 30, 2024 and the low bidder was SKE Construction; however, during the process of vetting the contractor, it was discovered that the low bidder made an arithmetic error in its bid. Accordingly, the Board unanimously approved rejecting all bids received for the project and rebidding the project with bids to be received for consideration at the August Board meeting. Upon motion duly made, seconded and unanimously carried, the Board accepted the engineer's report and approved payment of Pay Estimate No. 8 and Final in the amount of \$75,434.75.

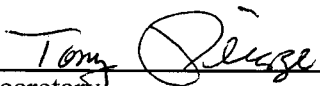
8. Mr. Smith provided an update with respect to the November 2024 bond election, and noted the District must adopt the order calling the election prior to August 19, 2024 and must provide Harris County with notice of its intent to hold the election by July 23, 2024. Upon motion duly made, seconded and unanimously carried, the Board authorized the attorney's office to provide such notice to Harris County.

9. Mr. Ideus presented the bookkeeper's report. He noted the check for payment to Aranda Industries as discussed by the District's engineer was included in the report. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon.

10. Mr. Smith reviewed the arbitrage analysis report from Municipal Risk Management Group ("MRMG") with the Board. He noted MRMG recommended the engagement of Arbitrage Compliance Specialists, Inc. to complete a yield restriction report for the Series 2016 Unlimited Tax Bonds. Upon motion duly made, seconded and unanimously carried, the Board approved the engagement letter with Arbitrage Compliance Specialists, Inc. as presented.

11. Mr. Smith noted that the District's electricity contract would expire at the end of September 2024. The District's energy consultant provided quotes from four energy providers including the District's current provider, and he recommended that the Board enter into a 60-month contract with NRG. Director Pilegge inquired as to the price increase over the expiring agreement, and suggested the District adjust the term of the contract so that its renewal does not take place in the summer months in the future. Mr. Smith agreed to discuss the matter with the energy consultant, and in the meantime the Board unanimously approved the 60-month contract with NRG as presented with the option of a 66-month term if it is available.

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


Secretary