

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

July 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 July, 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 Jolie Craft of Vogler & Spencer Engineering, Inc. ("V&S"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Angela Riley of District Data Services, Inc. ("District Data"); 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 June 12, 2024, regular meeting. After review and discussion, Director Gallagher moved to approve the minutes of the June 12, 2024, regular meeting, as presented. Director Miller 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.

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. Following review and discussion, Director Gallagher moved to approve the bookkeeper's report and authorize payment of the District's bills. Director Pugh seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT THE AWBD WINTER CONFERENCE

The Board discussed the AWBD summer conference. Ms. Riley noted the expenses were submitted in accordance with the District's travel guidelines. Following review and discussion, Director Gallagher moved to (1) approve reimbursement of eligible expenses for the summer conference; and (2) authorize all interested directors to attend the AWBD winter conference. 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 Pugh moved to approve the tax assessor/collector's report and payment of the tax bills. Director Miller seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Ms. Higgins discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2024 tax year.

Following review and discussion, Director Pugh moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developed District for the 2024 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Miller seconded the motion, which passed unanimously.

REPORT ON LIST OF COMMERCIAL BUSINESSES WITHIN THE DISTRICT

The Board discussed 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 discussed work performed by Inframark throughout the District and the damage from the recent hurricane.

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

Mr. Davila reviewed three abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the three accounts to the collection agency to pursue collection. He then reviewed one abandoned account with an outstanding balance of less than \$25.00 and requested to write off the one account.

The Board discussed the message on the monthly utility bill. Mr. Davila stated that the current message is the notice regarding hurricane preparedness. Following discussion, the Board concurred to add a notice regarding the lead and copper rule, as required by the Texas Commission on Environmental Quality ("TCEQ").

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 three accounts with an outstanding balance in excess of \$25.00 to the collection agency and to write off the one account; 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.

DISCUSS EMERGENCY MESSAGING SYSTEM, AND AUTHORIZE ACTION, IF NECESSARY

There was no discussion on this item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this item.

ENGINEER'S REPORT

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

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

Ms. Craft updated the Board on the Phase 5 sanitary sewer rehabilitation.

Ms. Craft stated the next water well testing will be in August.

Ms. Craft stated that the GIS system will be updated monthly.

Ms. Craft updated the Board on the Capital Improvements Plan for 2024.

Ms. Craft discussed the Environmental Protection Agency's revised lead and copper rule. She stated that a complete service line inventory is due October 2024 and noted that the TCEQ requires these documents be publicly available. Ms. Craft requested that Inframark add a message to the utility bills stating that no lead has been detected in the water lines.

Ms. Craft 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.

Ms. Craft discussed pavement that is settling on Vineyard Drive and stated that Harris County will be replacing several areas of pavement on and near Vineyard Drive.

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

MAINTENANCE OF PARK AND RECREATIONAL FACILITIES, INCLUDING REFLECTION PARK

The Board discussed the maintenance of Reflection Park.

ATTORNEY'S REPORT

There was no discussion on this item.

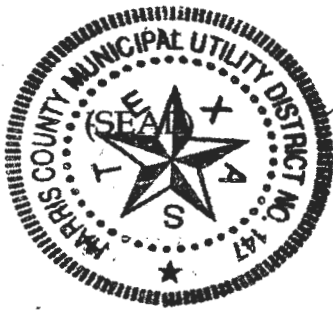
REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING
CORRESPONDENCE AND/OR REPORTS RECEIVED DURING THE MONTH

There was no discussion on this item.

CONSULTANT REVIEW OF OPERATOR

The Board conducted a consultant review of the operator.

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




Secretary, Board of Directors

ACTION LIST

1. Director Bugyi will follow up with Texscape regarding landscape at Reflection Park.
2. Bookkeeper will release check for contract work to Texscape.
3. Attorney will remove the Series B groundwater credits item from the agenda.
4. Director Bugyi will obtain proposals for work at Reflection Park.

LIST OF ATTACHMENTS TO MINUTES

| | Page <u>No.</u> |
|---------------------------------------|--------------------|
| Bookkeeper's report..... | 1 |
| Tax assessor/collector's report | 2 |
| Operator's report..... | 3 |
| Engineer's Report..... | 4 |