

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

September 11, 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 11th day of September, 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 in person or by teleconference were Sherri Greenwood of Forvis Mazars LLP; Spencer Day of Masterson Advisors; Jolie Craft and 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"); 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 August 14, 2024, regular meeting. After review and discussion, Director Gallagher moved to approve the minutes of the August 14, 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.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2024

Ms. Greenwood reviewed an engagement letter from Forvis Mazars LLP, to perform the District's audit for the fiscal year ending September 30, 2024. After review and discussion, Director Pugh moved to engage Forvis Mazars LLP to conduct the audit for the fiscal year ending September 30, 2024, authorize execution of the engagement letter, and direct that the letter 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. She noted additional check no. 14839 in the amount of \$25,732.53 payable to Inframark.

Ms. Riley then reviewed a draft budget for the fiscal year ending September 30, 2025, a copy of which is included in the bookkeeper's report. Discussion ensued regarding specific line items. Mr. Reed then discussed a \$4,700,000.00 cash call request from Chelford City Regional Wastewater Treatment Plant ("CCRWTP") for various projects. Ms. Craft noted that the District's 4.45% share is \$209,150.00. Discussion ensued regarding adding a line item to the budget for the cash call.

The Board then discussed the CCRWTP budget for fiscal year end September 30, 2025.

Following review and discussion, Director Gallagher moved to (1) approve the bookkeeper's report and authorize payment of the District's bills; (2) adopt the District budget for the fiscal year ending September 30, 2025, as discussed and revised; and (3) approve the CCRWTP budget for fiscal year end September 30, 2025. Director Miller seconded the motion, which passed unanimously.

DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2024 tax rate. Mr. Day distributed and reviewed a tax rate analysis reflecting the recommendation for the District to levy a 2024 maintenance and operations tax rate of \$0.43056 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$213,437,439.00. A copy of the tax rate analysis is attached. Discussion ensued. Ms. Higgins discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Pugh moved to (1) set the public hearing date for October 9, 2024; and (2) authorize the tax assessor/collector to publish notice in the Houston Chronicle of the District's meeting on October 9, 2024, to set the proposed 2024 total tax rate of \$0.43056 per \$100 of assessed valuation. Director Miller 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 Miller 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. She reviewed a chart reflecting monthly payments, a copy of which is attached.

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

The Board discussed work performed by Inframark throughout the District.

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 six abandoned accounts with an outstanding balance in excess of \$25.00, and requested authorization to turn over the six 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 hurricane preparedness. Following discussion, the Board concurred to keep the notice regarding hurricane preparedness.

Mr. Davila reviewed a proposal to clean and paint the fire hydrants in the District for an approximate total cost of \$6,297.00. Discussion ensued regarding obtaining additional proposals.

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 six 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.

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 CCRWTP operations and maintenance.

Ms. Craft updated the Board on the Phase 5 sanitary sewer rehabilitation and requested authorization to solicit bids.

Ms. Craft stated the water well testing is complete.

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

Ms. Craft updated the Board on the Capital Improvements Plan for 2024 and reviewed an updated plan.

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 (1) approve the engineer's report; and (2) authorize the engineer to solicit bids for the Phase 5 sanitary sewer rehabilitation. 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, and discussion ensued regarding the frame for the plaque.

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 TAX ASSESSOR/COLLECTOR

The Board conducted a consultant review of the tax assessor/collector.

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



[Handwritten Signature]
Secretary, Board of Directors

ACTION LIST

1. Operator will meet with Director Bugyi to discuss work in the District for the budget.
2. Operator will obtain additional proposals for the fire hydrant cleaning and painting.
3. Engineer will research covers for the plaque at Reflection Park.
4. Director Bugyi will obtain proposals for work at Reflection Park.

LIST OF ATTACHMENTS TO MINUTES

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