

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 155

Minutes of Meeting of Board of Directors

December 16, 2024

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 155 (“District”) met on Monday, December 16, 2024, at Workspace Suites at 16610 Longenbaugh Drive, Houston, Texas, in accordance with the duly posted notice of the meeting, with a quorum of directors present, as follows:

Margaret K. Dawson, President
Jim Denmon, Vice President
Clint Wilhelm, Secretary
Corey Manahan, Director
Barbara Scott, Director

and the following absent:

None.

Also present were Ms. Debbie Arellano, tax assessor-collector; Mr. John Taylor of Municipal Operations & Consulting; Mr. John Gerdes of Texas Land Engineers, Inc.; Mr. Jorge Diaz of McLennan & Associates, LP; Ms. Wendy Ramirez of Forvis Mazars; Mr. Jeff Penney of Harris County MUD No. 156; and Ms. Melissa J. Parks, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board considered the following items from the Consent Agenda:

Minutes of the Board meeting held November 18, 2024, which the Board unanimously approved as presented.

Tax assessor-collector’s report, copy attached, including invoices and a list of delinquent accounts. Through November 30, the rate of collection of 2023 taxes is 98.968% and for 2024, the collection rate is 5.038%.

Bookkeeper’s report, a copy of which is attached, as well as invoices, a schedule of investments, an investment report, and budget comparison reports.

After discussion, upon motion by Director Scott, seconded by Director Wilhelm, the Board voted unanimously to approve the items on the Consent Agenda, including checks as reflected on the tax assessor-collector’s and bookkeeper’s reports.

2. The Board opened the meeting for public comment. Mr. Penney reported that No. 156 approved payment of its deposit for the project to recoat ground storage tank No. 2 at the joint water plant. There were no further public comments.

3. The Board considered the attached Order rescinding meeting places outside the District and designating additional out-of-District meeting places. Ms. Parks requested Board adoption of this Order to formally designate a new suite on another floor at the attorneys' offices as an additional District meeting place. The Board did not object to this but also desired to establish a meeting place at the Lone Star College-CyFair campus, also located outside the District. After discussion, upon unanimous vote, the Board adopted the attached Order, amended as discussed above. The Board also indicated it intends to designate the Langham Creek Family YMCA on Longenbaugh Drive within the District as an additional meeting place. Ms. Parks stated she would place an item on the January, 2025 agenda for that purpose.

4. Wendy Ramirez approached the Board to review the District's audit for the fiscal year ended August 31, 2024. She reported that Forvis Mazars was providing an unqualified, clean opinion, and she then reviewed the draft audit with the Board. At fiscal year end, the District has an approximately 21-month operating reserve in its general fund account, based on 2025 budgeted expenditures. Ms. Ramirez reviewed the notes to the financial statements as well as formal communications regarding internal controls and the accountants' audit strategy and approach. Ms. Ramirez also stated that while performing the audit, the accountants observed the District's investments were in compliance with Chapter 2270 of the Texas Government Code. After further Board review and discussion, upon unanimous vote, the Board approved the audit in substantially the form presented, and directed the auditors to complete and file the audit on timely basis with all appropriate entities. It was further noted that the final audit will be provided to the District's tax assessor-collector for posting on the internet as required under the Texas Tax and Government codes.

5. The Board reviewed and unanimously approved the attached Resolution affirming the Board's annual review of District's existing investment policy.

6. The attorney confirmed that her office will timely submit the annual continuing disclosure documents for the District's Series 2010R bonds, which were paid in full on May 1, 2024. Unless the District issues more bonds, there will be no further need for continuing disclosure.

7. John Taylor presented an operations report, copy attached. The report reflected 826 connections, including nine vacancies. The regional sewage treatment plant had operated at 48% of permitted capacity during the month and without excursions. Given the higher flow at the plant, the Board asked the operator to check and report back next month. Total water accountability during the month was 99%; when limited to within the District, accountability was 94%.

Mr. Taylor submitted a list of delinquent accounts eligible for termination of utility service for nonpayment. The operators had received no appeals from any customers, and no customers were present at the Board meeting to contest their bills. The Board discussed the termination date and asked the operators to ensure that terminations would not occur on or before Christmas or New Year's Day. After discussion, the Board unanimously acknowledged that pursuant to provisions of the District's Rate Order, the operator will proceed with termination of utility service to accounts remaining delinquent as of the cutoff date, observing the above caveat. There were no closed delinquent accounts recommended for write-off or sending to collections.

Mr. Taylor presented a spreadsheet of all charges incurred in connection with repair of the clarifier at the regional sewage treatment plant. The Board reviewed same and then directed that the bookkeeper invoice all participant entities for their shares pursuant to the regional wastewater treatment plant agreement.

Mr. Taylor reported that the meter at the interconnect with Harris County MUD No. 173 was damaged when water got into the electronics, and it is not repairable. He presented a proposal from Southern Flowmeter Inc. for a new meter in the amount of \$15,878. The Board considered the proposal and requested that the operator obtain up to two additional proposals in an attempt to identify a lower cost. Thereafter, upon unanimous vote, the Board authorized the operator to proceed with replacement of the meter in an amount not to exceed \$15,878.

Finally, Mr. Taylor requested Board execution of a form authorizing himself and additional employees of Municipal Operations & Consulting to complete and submit Discharge Monitoring Reports to the Texas Commission on Environmental Quality (TCEQ). After discussion, the Board unanimously authorized execution of the form. After further discussion of operating matters, upon motion by Director Wilhelm, seconded by Director Scott, the Board voted unanimously to approve the operator's report as presented.

8. The Board discussed a letter agreement with Harris County MUD No. 173 for temporary water service to that district. The Board had approved and executed a proposed agreement last month, and Ms. Parks reported that No. 173 had recently approved and executed it as well. Mr. Taylor reported that the District continues providing water to No. 173. The operators will invoice No. 173 for all water provided by the District since No. 173 opened the interconnect on October 23, 2024. The water is being provided at the rate per 1,000 gallons under the 1992 Interim Water Supply and Emergency Water Interconnect Agreement, plus the fee of the West Harris County Regional Water Authority. The Board indicated a desire for amendment or update of the 1992 agreement early some time in 2025.

9. John Gerdes presented an engineer's report, copy attached. He reported on the District's contract with CFG Industries, LLF for recoating of ground storage tank No. 2. Ms. Parks noted that, as mentioned earlier by Mr. Penney, the District should soon receive from No. 156 that district's pro rata share due for the project in accordance with the Joint Water Plant Agreement. Mr. Gerdes reported that the contractor has been notified to proceed and that he is assisting the contractor and coordinating insurance, bonds, and the start date.

Mr. Gerdes discussed failure of the storm overflow structure at Crossfield Drive. He is continuing to communicate with Harris County about the District's request that the County either remove the 48-inch pipe and replace it with 54-inch pipe, or install a parallel 30-inch pipe.

Mr. Gerdes addressed replacement of fence next to the YMCA. He obtained a cost estimate from fence contractor JAK to remove and replace damaged fencing. JAK's estimate amounted to \$33,096.10. Mr. Gerdes also obtained a proposal from JAK in the amount of \$13,500 to paint the water pipe crossing Horsepen Creek at 16502 Crossfield Drive. This is the elevated water line between the District and Harris County MUD No. 172. After discussion, the Board unanimously authorized JAK to proceed with both projects. The Board then discussed painting fire hydrants in the District and believed it was last done quite some time ago. Mr. Gerdes stated he could have JAK wire brush and paint one hydrant as a sample, and the Board can observe the

work and make a decision on proceeding next month.

Mr. Gerdes discussed upcoming District sidewalk projects. He had obtained a \$50,000 cost estimate from a contractor for the sidewalk to be installed near Aragon Middle School and Birkes Elementary. He also obtained an estimate of \$41,550 for installation of a sidewalk from the end of the pedestrian bridge crossing Horsepen Creek to the sidewalk in No. 172. The Board indicated a preference to use the same contractor for both sidewalks. The Board discussed conveyance by No. 172 of title to the District of a 3.9731-acre tract over part of which the District plans to construct the school sidewalk. Ms. Parks reported on her most recent communications with No. 172's attorneys on the subject, who noted that when No. 172's Board made the decision to convey title, it was made subject to any concerns of the attorney. The attorney has since indicated he is concerned that conveyance of title is not necessary, when conveyance of an easement would provide a real property interest sufficient to the District to construct the sidewalk. They plan to inform the No. 172 Board of this concern and advise it instead to grant an easement. The Board discussed this matter in great detail and indicated its main goal is to complete the project. After further discussion, Directors Wilhelm and Manahan stated they will attend No. 172's board meeting to request conveyance of title. Mr. Gerdes and Ms. Parks stated they will continue working with Cypress Fairbanks ISD for an agreement and a construction easement to allow for sidewalk construction.

The Board discussed completion of streetlights on the side of Queenston Boulevard where the YMCA is located. Director Dawson brought this to the Board's attention and requested that the other directors consider the project. The Board agreed to consider it, after Director Dawson further investigates the matter and also communicates with Mr. Gerdes. It was also mentioned the Board may consider addition of lights along the walking paths in the District. After further discussion of engineering matters, upon motion by Director Wilhelm, seconded by Director Denmon, the Board voted unanimously to approve the engineer's report as presented.

10. The Board discussed the status of landscape maintenance at District facilities. Since the previous meeting, Ms. Parks had spoken with Joseph Smith, who indicated an intent to continue Michael Smith's landscaping business. The Board discussed making further arrangements with Joseph Smith but would allow landscape maintenance to continue in the meantime if he will provide proof of insurance coverage. Ms. Parks agreed to discuss this and related matters with Mr. Smith prior to next month's meeting.

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

Secretary