

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
January 28, 2025

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 183 (the "District") met in regular session, open to the public on January 28, 2025, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Anthony (Jerry) Langley, President
Rudy Alvarado, Vice President
Chad Vowell, Secretary
Robert Pollard, Assistant Secretary
Daniel Mushen, Assistant Secretary

all of whom were present, thus constituting a quorum.

Also present was Chad Walker of Quiddity Engineering, LLC ("Quiddity"); Jorge Diaz of McLennan & Associates ("McLennan"); Michelle Guerrero of Bob Leared Interest, Inc. ("Leared"); Mike Scott of Si Environmental, LLC ("SE"); and Gina Free, Cole Trolinger, and MyMy Pham of Schwartz, Page & Harding, L.L.P. ("SPH").

Following the roll call, the meeting was called to order and declared open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. It was noted that no members of the public were present.

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the Board meeting held on December 30, 2024. Following discussion, Director Mushen moved that the minutes of the December 30, 2024, meeting be approved, as written. Director Pollard seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT AND INVESTMENT REPORT

Mr. Diaz presented to and reviewed with the Board the Bookkeeper's Report, dated January 28, 2025, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the District's various accounts, and the District's Investment Report for the period ended December 31, 2024. After discussion, Director Vowell moved that the Bookkeeper's Report be approved, and the disbursements presented be approved for payment, including check nos. 11689 and 11690, which were not included in the Bookkeeper's Report. Director Pollard seconded the motion, which unanimously carried.

**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS SPECIAL PURPOSE DISTRICT
PUBLIC INFORMATION DATABASE**

Ms. Free informed the Board that, pursuant to provisions of Chapter 403, Texas Government Code, and Chapter 203, Texas Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Ms. Free recommended that Forvis-Mazars, LLP ("Forvis"), the District's auditor, be authorized to prepare and submit the information. After discussion on the matter, it was moved by Director Langley, seconded by Director Vowell and unanimously carried, that Forvis be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Guerrero then reviewed the Tax Assessor-Collector's Report for the month of December 2024, a copy of which is attached hereto as **Exhibit B**, including the disbursements presented for payment. After discussion, Director Langley moved that the Tax Assessor-Collector's Report be approved and the disbursements identified in the Report be approved for payment. Director Vowell seconded said motion, which unanimously carried.

EXEMPTIONS FROM TAXATION FOR 2025

Ms. Free outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Texas Tax Code, as amended. She advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2025, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2025, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After discussion of the matter, Director Vowell moved that the District (i) not grant a residential homestead exemption, and (ii) grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$15,000 from ad valorem taxes levied by the District during the calendar year 2025, and that the Resolution attached hereto as **Exhibit C** relative to same be approved and adopted by the Board and the District. Director Pollard seconded said motion, which carried unanimously.

**RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT
PERSONAL PROPERTY TAXES**

The Board next considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes. Ms. Free advised that the Board is authorized to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the amount of personal property taxes, penalty and interest due the District on same in connection with taxes

that become delinquent as of February 1, 2025 and remain delinquent sixty (60) days after the date on which they become delinquent. After discussion on the matter, Director Vowell moved that the Resolution Adopting an Additional Penalty on Delinquent Personal Property Taxes of twenty percent (20%), attached hereto as **Exhibit D**, be passed and approved by the Board and the District, and that the District's delinquent tax attorney be authorized to collect such delinquent personal property taxes, effective April 1, 2025. Director Pollard seconded said motion which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY'S REPORT

The Board next considered the Delinquent Tax Collections Attorney's Report (the "Delinquent Report") from Perdue, Brandon, Fielder, Collins & Mott L.L.P., a copy of which is attached hereto as **Exhibit E**. Ms. Free presented and reviewed said Delinquent Report with the Board. After discussion, the Board concurred that no action was required.

OPERATIONS AND MAINTENANCE REPORT

Mr. Scott presented to and reviewed with the Board the Operations and Maintenance Report dated January 28, 2025, a copy of which is attached hereto as **Exhibit F**. Discussion ensued regarding the District's meter replacement program. In connection therewith, Mr. Scott advised that SE has replaced approximately 301 meters to date. Following discussion, Director Vowell moved that the Operator's Report be approved and SE be authorized to terminate delinquent accounts in accordance with the District's Rate Order. Director Langley seconded the motion, which unanimously carried.

ENGINEER'S REPORT

Mr. Walker presented to and reviewed with the Board the Engineer's Report dated January 27, 2025, a copy of which is attached hereto as **Exhibit G**. In connection therewith, Mr. Walker presented and discussed a scope memorandum for the design of the Sanitary Sewer Cleaning and Televising Phase III project (the "Project"), a copy of which is included with the Engineer's Report. Following discussion, Director Langley moved to approve the scope memorandum and authorize Quiddity to commence design of the Project. Director Vowell seconded the motion which unanimously carried.

Mr. Walker then advised that Distinction International Christian Church has portable water tanks outside of the building. A lengthy discussion ensued regarding removal of the water tanks, request for a revised utility commitment letter, and payment of the outstanding tap fee. Following discussion, it was moved by Director Langley that SPH and Quiddity be authorized and directed to send a cease and desist letter to Distinction (i) demanding immediate removal of the portable water tanks, (ii) advising that construction of utility lines without plan approval is prohibited, (iii) providing the remaining tap fee, (iv) requesting submission of revised plans to Quiddity, and (v) providing the penalties for non-compliance. The motion was seconded by Director Vowell and unanimously carried.

UTILITY COMMITMENTS

The Board deferred the issuance of utility commitments, as no new requests for same had been received.

SECURITY REPORT

The Board then discussed security matters within the District, including the Security Report from the Harris County Sheriff's Office, a copy of which is attached hereto as **Exhibit H**. Directors Langley and Mushen advised that they have reviewed and evaluated the patrol schedule and are recommended a number of changes in patrol coverage. In connection therewith, Directors Langley and Mushen recommended that the Board terminate the District's Independent Contractor Agreement (Patrol Services) with Deputy Morris Thomas (the "Agreement"). Ms. Free advised that said Agreement can be terminated with or without cause upon ten (10) working days' notice. Following a discussion of various security changes to be implemented, it was moved by Director Vowell, seconded by Mushen, and unanimously carried that the Agreement be terminated and that SPH be authorized and directed to send Deputy Thomas notice of said termination in accordance with the terms of the Agreement.

RENEWAL OF DISTRICT INSURANCE COVERAGES

The Board next discussed the renewal of the District's insurance coverages and bonds and considered authorizing the solicitation of proposals for same. Ms. Free stated that the District's current insurance coverages with Arthur J. Gallagher & Co. ("Gallagher") will expire on March 31, 2025. After discussion concerning the various options available to the District, the Board concurred that SPH be authorized to solicit a renewal proposal for the District's insurance coverages from Gallagher.

COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY POLICY MINUTE LANGUAGE

The Board considered the adoption of an Order Establishing Policy for Covered Applications and Prohibited Technology ("Technology Policy"), a copy of which is attached hereto as **Exhibit I**. Ms. Free advised that Senate Bill 1893, as passed during the 88th Regular Session, requires that all political subdivisions of the state, including the District, adopt a policy that prohibits the installation of certain social media applications, defined as "covered applications", on electronic devices owned or leased by the District. Ms. Free noted that the social media application TikTok and any other software owned by ByteDance Limited are considered covered applications and may not be installed or used on a District owned or leased device. Ms. Free further advised that the proposed Technology Policy mirrors the model policy created for governmental entities created by the Texas Department of Information Resources ("DIR"), and will be updated as needed to comply with the recommendations of DIR. After discussion on the matter, Director Mushen moved that the Technology Policy be adopted, and that the President and Secretary be authorized to execute the same. Director Langley seconded said motion, which unanimously carried.

PFAS RELATED CLASS ACTION LITIGATION AND SETTLEMENTS

Ms. Free next discussed with the Board the District's status as a class member under the Tyco and BASF class action settlements concerning per- and polyfluoroalkyl substances (collectively, "PFAS"). In connection therewith, Ms. Free advised that the deadline for filing a claim under both the Tyco and BASF class action settlements is April 8, 2025. She noted that the amount of the District's potential recovery under the claims is uncertain at this time, and will be impacted by various factors, including its PFAS test results, water system flow data compared to that of other claimants, and the total number of claims filed. She stated that SPH recommends the District file claims to protect its potential recovery, and that SPH is prepared to submit such claims subject to the Board's authorization. Following discussion, Director Alvarado moved that SPH be authorized to submit claims on behalf of the District under the Tyco and BASF class action settlements. Director Pollard seconded the motion, which unanimously carried.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board then discussed the proposed administrative building. In that regard, Ms. Free presented the AIA Document B101-2017 (Standard Form of Agreement Between Owner and Architect) with LDDBlueline (the "Architect Agreement"), a copy of which is attached hereto as **Exhibit J**, and advised that the Architect Agreement has been revised and is now in final form. Director Langley then reviewed the changes made to the Architect Agreement and summarized his discussions with Sara McEown, the District's construction counsel. Following discussion, it was moved by Director Alvarado that the Architect Agreement be approved and the President be authorized to execute same on behalf of the Board and the District. The motion was seconded by Director Pollard and carried by unanimous vote.

Ms. Free then presented a revised Schematic Design prepared by LDDBlueline, a copy of which is attached hereto as **Exhibit K**, and noted that the revised Schematic Design incorporates the Board's comments discussed at the Board's December 30, 2024 Board meeting. The Board concurred that they were pleased with the revised design. A discussion ensued regarding minor changes to said design. Following discussion, it was moved by Director Langley, seconded by Director Vowell, and unanimously carried, that SPH be authorized and directed to (i) inform LDDBlueline that it would like to proceed with the alternate conceptual rendering, and (ii) request the following revisions: (a) add bushes on the east side of the building, (b) discuss whether an additional parking space can be added, (c) discuss whether an awning can be added to cover the side door, (d) add wiring required for a building sign and add a building sign on the corner of Keith Harrow Blvd. and Grand Forest Drive or on Keith Harrow Blvd. that can be bid as an alternate item, (e) add a refrigerator and dishwasher in the kitchen on the flex side of the building, (f) add a sink and dishwasher in the kitchen on the administrative side of the building, (g) confirm that each kitchen has a gas cook-top and discuss whether a cook-top may increase the District's insurance premium, in which case the gas cook-tops will be removed, (h) confirm that there is space for tv screens in both the administrative and flex side of the building, and (i) add wiring necessary for

exterior and interior cameras. The Board also asked for a cost estimate/difference for adding the one-third stone to the east and west sides of the building.

ATTORNEY'S REPORT

Ms. Free noted that she had nothing further to discuss with the Board of a legal nature which was not covered elsewhere in the agenda.

FUTURE AGENDA ITEMS

The Board did not request any items be placed on future agendas other than those already discussed and regular, on-going items.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Mushen, seconded by Director Pollard, and unanimously carried, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors

**Harris County Municipal Utility District No. 183
EXHIBITS**

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector Report
- Exhibit C Resolution Concerning Exemptions from Taxation
- Exhibit D Resolution Adopting an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E Delinquent Tax Collections Attorney's Report
- Exhibit F Operations and Maintenance Report
- Exhibit G Engineer's Report
- Exhibit H Security Report
- Exhibit I Order Establishing Policy for Covered Applications and Prohibited Technology
- Exhibit J AIA Document B101-2017 (Standard Form of Agreement Between Owner and Architect) with LDDBlueline
- Exhibit K Schematic Design