

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 183
Minutes of Meeting of Board of Directors
July 23, 2024

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 July 23, 2024, 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, except Director Pollard, thus constituting a quorum. Director Pollard entered later in the meeting as noted herein.

Also present was Chad Walker of Quiddity Engineering, LLC ("Quiddity"); Derek Davenport of McLennan & Associates ("McLennan"); Michelle Guerrero of Bob Leared Interest, Inc. ("Leared"); Corey Andujar and Mike Scott of Si Environmental, LLC ("SE"); and Gina Free 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. The board deferred consideration of comments from the public, as none were present.

APPROVAL OF MINUTES

The Board next considered approval of the minutes of the Board meeting held on May 28, 2024 and June 25, 2024. Following discussion, Director Langley moved that (i) the minutes of the May 28, 2024 meeting be approved subject to SPH's revision of the recreational facilities discussion and Director Langley's subsequent approval of same, and (ii) the minutes of the June 25, 2024 meeting be approved, as written. Director Vowell seconded said motion, which unanimously carried.

Director Pollard entered the meeting at this time.

BOOKKEEPER'S REPORT AND INVESTMENT REPORT

Mr. Davenport presented to and reviewed with the Board the Bookkeeper's Report dated July 23, 2024, a copy of which is attached hereto as **Exhibit A**, including the disbursements

presented for payment, and the District's Investment Report for the period ended June 30, 2024, a copy of which is included with the Bookkeeper's Report. Following discussion, Director Vowell moved that (i) the Bookkeeper's Report be approved, and (ii) the disbursements identified therein be approved for payment. Director Pollard seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

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

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 ("Perdue"), a copy of which is attached hereto as **Exhibit C**. In that regard, Ms. Free presented to and reviewed said Delinquent Report with the Board. The Board inquired about a delinquent account that defaulted on a payment plan and whether Perdue can commence suit on said account. It was noted that water service had been terminated for said account. Ms. Free advised that she will follow up with Perdue regarding said account and report back to the Board.

OPERATIONS AND MAINTENANCE REPORT

Mr. Andujar first introduced Mr. Scott and advised that he will be the new SE representative for the District going forward. Director Langley then thanked Mr. Andujar, the SE team, and Quiddity for their hurricane preparedness efforts and hurricane response efforts.

Mr. Andujar then presented to and reviewed with the Board the Operations and Maintenance Report for the month of June 2024, a copy of which is attached hereto as **Exhibit D**.

Mr. Andujar then updated the Board on multiple repairs previously made to the District's water distribution system at or near 18134 Glenledi Drive. Director Langley inquired about the quality of the repairs, both in terms of labor and materials. Mr. Walker advised that he will obtain additional information from SE regarding the repairs to the District' system. Director Langley advised that he wanted to bring awareness to the situation and would be interested in how often SE has to revisit or redo a repair previously completed.

The Board then discussed the meter replacement program. In that regard, Mr. Andujar advised that it costs approximately \$230 per meter replacement, which includes the cost of labor and materials. He noted there are approximately 400 meters that need to be replaced, 100 of which are currently registering at or near 1.6 million gallons metered and 300 of which are currently registering at or near 1 million gallons metered. He further advised that the total to replace all 400 meters is approximately \$92,000. A discussion ensued regarding how quickly SE could replace the meters. The Board directed SE to determine how many meters could be replaced each month

and report back to the Board. Mr. Andujar advised that SE will continue replacing the 100 meters registering at or near 1.6 million gallons metered in accordance with the Board's previous authorization.

The Board then discussed a large account balance that had a plumbing leak. Upon further discussion the Board concurred not to terminate the delinquent account and to allow the customer to request a payment plan for same. A discussion ensued regarding the termination process. Director Mushen noted that the accounts that were terminated in May were not listed on the June report. The Board asked SE to investigate same and to explain how the account is processed, documented and reported after termination. Mr. Scott agreed to same.

A discussion then ensued regarding the security cameras located at the District's water facilities, including electricity and internet services during and after Hurricane Beryl. Director Langley advised that the District's security cameras located at the District's water facilities went down during the hurricane and that the camera located at Water Plant No. 1 came back online first. He further noted that SE had to reset the camera located at Remote Well No. 1. Director Langley reported that SE will be implementing processes and procedures to maintain service to the cameras to the extent possible during future weather events.

After discussion, Director Mushen motioned that the Operator's Report be approved, and the delinquent accounts be terminated in accordance with the District's Rate Order, with the exception of the customer with a leak that will be given an opportunity to request a payment plant. Director Vowell seconded said motion, which carried unanimously.

ENGINEER'S REPORT

Mr. Walker next presented to and reviewed with the Board the Engineer's Report dated July 18, 2024, a copy of which is attached hereto as **Exhibit E**.

Mr. Walker then discussed the proposed annexation of Harmony Schools ("Harmony"). The Board discussed Harmony's tax status. Ms. Free reminded the Board that it previously authorized a feasibility study, subject to receipt of a deposit for said work and subject to confirmation that Harmony would remain a taxable entity. The Board discussed whether it should continue with the feasibility study. Following discussion, Director Mushen moved to rescind the Board's prior approval of the feasibility study, which motion failed for lack of a second. The Board advised they were not ready to consider terminating said authorization, but may consider same in the future.

Mr. Walker then discussed the Cleaning and Televising Project and advised that there are five manholes that the contractor has been unable to access. Ms. Free recommended that the contractor attempt to access the manholes with a Harris County Sheriff's Office ("HCSO") deputy present and that notice of the date that the contractor will be on site be sent to customers. Mr. Walker advised that the contractor will be on site on August 6th and/or August 7th.

Following discussion, Director Langley moved that: (i) SPH be authorized to send correspondence to the applicable residents that a contractor will be on site on August 6th and

August 7th to access the manholes in their back yard; (ii) SPH be authorized to coordinate HCSO's participation with the contractor for access to the manholes; (iii) Pay Estimate No. 1 in the amount of \$179,339.87 in connection with the Cleaning and Televising Project be approved; and (iv) Quiddity be authorized to advertise for bids for the Grand Forest Waterline Loop project, subject to obtaining plan approval. Director Alvarado seconded the motion, which unanimously carried.

UTILITY COMMITMENT LETTERS

The Board then considered requests for utility commitments. The Board discussed the remaining tax exempt tap fee due from the Distinction International Church ("Distinction"). It was noted that Distinction's utility commitment had expired and that Distinction would need to enter a new commitment prior to proceeding with construction. A discussion ensued regarding the calculation of the tax exempt tap fee. Ms. Free advised that the new utility commitment will be provided that the tax exempt tap fee will be recalculated in the event that it is not paid within one year. In connection therewith, Director Alvarado moved to approve the new utility commitment. Director Langley seconded said motion, which unanimously carried.

DISCUSSION REGARDING THE PROPOSED ADMINISTRATIVE BUILDING

The Board next considered the status of the proposed administrative building. Ms. Free updated the Board on the District's construction counsel's recommendations on how to proceed with the design and construction of the building. The Board requested that Mr. Walker and a subcommittee of the Board gather additional information regarding design, construction and design-build options for the proposed administrative building. In connection therewith, Director Mushen moved that Directors Langley and Alvarado be designated to the subcommittee for additional research regarding construction options. Director Pollard seconded said motion, which unanimously carried.

SECURITY REPORT

Ms. Free presented the security report to the Board, a copy of which is attached hereto as **Exhibit F**. The Board took no action regarding same.

ELECTRONIC STORAGE OF DISTRICT RECORDS, RESOLUTION ADOPTING RECORDS RETENTION SCHEDULES AND POLICIES AND PROCEDURES FOR ELECTRONIC STORAGE OF DISTRICT RECORDS, AND REQUEST FROM RECORDS MANAGEMENT OFFICER TO DESTROY CERTAIN RECORDS OF THE DISTRICT

The Board deferred consideration of the electronic storage of District records, resolution adopting records retention schedules and policies and procedures for electronic storage of District Records, and the request from records management officer to destroy certain records of the District.

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 Vowell, seconded by Director Langley, 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 Delinquent Tax Collections Attorney's Report
- Exhibit D Operations and Maintenance Report
- Exhibit E Engineer's Report
- Exhibit F Security Report

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