

MINUTES OF MEETING OF BOARD OF DIRECTORS
JULY 12, 2022

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 151

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 151 (the "District") met in regular session, open to the public, at Atascocita Waste Water Treatment Plant, 5003 Atascocita Road, Humble, TX 77346, at 10:00 a.m. on July 12, 2022, whereupon the roll was called of the members of the Board, to-wit:

Kent F. Spitzmiller, President
Jerry Berry, Vice President
Steve Robb, Secretary
Dan Czyz, Assistant Secretary
Ken Ebeling, Assistant Secretary

Persons Attending. All members of the Board were present. Also attending were Ms. Kelly Wilkinson of IDS Engineering Group ("IDS"), engineers for the District; Mr. Allen Jenkins of Inframark, operators for the District ("Inframark"); Ms. Dianne Bailey of McLennan and Associates ("McLennan"), bookkeeper for the District; Ms. Yvonne Luevano of Wheeler & Associates ("Wheeler"), tax assessor and collector for the District; and Mr. Dimitri Millas, Ms. Leslie Bacon and Ms. Jane Maher, of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

Call to Order. The meeting was called to order and, in accordance with notice posted pursuant to law. The following business was transacted:

1. **Public Comments.** There were no public comments.
2. **Minutes.** Proposed minutes of the regular meeting of June 14, 2022, previously distributed to the Board, were presented for approval. Upon motion by Director Berry, seconded by Director Ebeling, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of June 14, 2022, as presented.
3. **Tax Collector's Report.** President Spitzmiller recognized Ms. Luevano, who reviewed with the Board the Tax Collector's Report and the Delinquent Collections Listing as of June 30, 2022. She stated that the District had collected 99.35% of its 2021 taxes as of June 30, 2022. She noted that the District's total expenses were \$28,389.46 and that the cash balance as of June 30, 2022 was \$53,140.16. She presented six checks totaling \$11,277.30 for the Board's approval.

Upon motion by Director Berry, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Collector's Report, and to authorize payment of check numbers 5060 through 5065 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Consider Depository Pledge Agreement with Frost Bank.** President Spitzmiller recognized Ms. Luevano, who recommended that the Board move the accounts currently with Allegiance Bank to Frost Bank. She reviewed the Depository Pledge Agreement with Frost Bank.

Discussion ensued.

Upon motion by Director Berry, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to move the accounts with Allegiance Bank to Frost Bank and to approve the Depository Pledge Agreement.

5. **Bookkeeper's Report.** President Spitzmiller recognized Ms. Bailey, who presented to and reviewed with the Board the Bookkeeper's Report for the period from June 15, 2022 to July 12, 2022, certain statements for payment, and the investment report for the period ending June 30, 2022. She stated that the current balance in the general fund is \$6,087,332.15 and that the balance in the debt service fund is \$484,393.45.

Ms. Bailey presented check numbers 1289 through 1323 for utilities and other costs for the District for approval and payment upon receipt of invoices expected prior to the District's next meeting. She noted that the general fund disbursements for the month were \$212,275.45 and that debt service disbursements for the month were \$40.00.

Ms. Bailey reviewed the schedule of investments. She stated that the total investments of all the District's funds are \$6,237,916.41.

Ms. Bailey reviewed the District's annual energy billings.

Ms. Bailey reviewed the Profit & Loss Budget Performance for the general fund. She also reviewed the operating budget.

Upon motion by Director Berry, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 1289 through 1323, from the General Fund in the amounts, to the persons, and for the purposes listed in such Report as requested herein.

6. **Consider contract amendment for bookkeeping services.** President Spitzmiller recognized Ms. Bailey, who reviewed the Agreement for Services for Bookkeeper. Discussion ensued. It was the consensus of the Board to defer this item until the next meeting.

7. **Engineer's Report.** President Spitzmiller recognized Ms. Wilkinson, who presented to and reviewed with the Board the Engineer's Report.

Ms. Wilkinson reported on the Ground Storage Tank No. 3 ("GST No. 3") replacement at the Water Plant. She stated that the ringwall foundation and all backfilling have been completed. She noted that the contractor has informed IDS that they will begin installing the fiberboard this week and that they expect delivery for the floor plates later this week. She stated that initial construction of the steel tank will be underway shortly.

Ms. Wilkinson reported on the capacity requests and site plan reviews. She stated that IDS issued a Letter of No Objection on May 27, 2022, for the Site Civil Plans for the proposed High Street Residential development. She noted that IDS will keep the Board informed on updates regarding the development and construction.

Ms. Wilkinson reported on the Texas Department of Transportation ("TxDOT") FM 1960 Road Widening project. She stated that the sanitary sewer relocation has been completed and Harris County Municipal Utility District No. 132 ("No. 132") engineer will request for the District's

pro rata share once the funding from TxDOT has been received.

Ms. Wilkinson reported on the District wide water main breaks. She stated that Inframark provided IDS with information on all the water main breaks throughout the District in the last five years and that IDS has plotted the locations on a map. She reported that there does not appear to be a centralized problem, and that IDS will continue to monitor any future breaks.

Ms. Wilkinson reported on the Drainage Easement for 20918 Water Point Trail. She stated that IDS received an inquiry from a resident at the referenced address, regarding the drainage easement behind their property. She stated that the retaining wall has failed and is causing soil to be lost from their back property. She noted that the resident is trying to find the party responsible for maintenance of the retaining wall and drainage easement. Discussion ensued regarding ownership. It was the consensus of the Board to authorize IDS to direct the resident to the home owners association.

Upon motion by Director Berry, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report.

8. Operations Report, operator fuel surcharge letter agreement, authorize repairs and action on delinquent accounts. President Spitzmiller recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for June 2022.

Mr. Jenkins stated that 103.7% of the water pumped was billed for the period from May 18, 2022 to June 16, 2022.

Mr. Jenkins reviewed the Major Maintenance Summary for June 2022. He reported that Inframark repaired three water leaks in the District and replaced a broken two-inch meter at 6262 Upper Lake.

Mr. Jenkins reviewed the billing summary, water production and quality report, water accountability report and customer call log.

Mr. Jenkins stated that he is coordinating with President Spitzmiller regarding the termination process.

Mr. Jenkins reviewed the Fuel Surcharge Letter Agreement. He stated that Inframark is requesting a temporary flat percentage fuel surcharge due to the increase in fuel prices. Discussion ensued.

Mr. Jenkins reported on the results of the fire hydrant survey. He noted that the estimated cost for the repairs is \$12,620. Director Berry stated that a fire hydrant was missing from the survey and asked that Inframark include that hydrant to the report for repair.

Upon motion by Director Berry, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, the Fuel Surcharge Letter Agreement and the fire hydrant repairs.

9. Developer's Report. There was no report.

10. Status report on District website. There was no report.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on August 9, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

