

MINUTES OF MEETING OF BOARD OF DIRECTORS
JUNE 14, 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 June 14, 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 except Directors Robb and Ebeling, thus constituting a quorum. Also attending were Mr. Ron Jones, resident of the District; Ms. Kelly Wilkinson of IDS Engineering Group ("IDS"), engineers for the District; Mr. Allen Jenkins of Inframark, operators for the District ("Inframark"); Mr. Jorge Diaz of McLennan and Associates ("McLennan"), bookkeeper for the District; Ms. Yvonne Luevano of Wheeler & Associates ("Wheeler"), tax assessor and collector for the District; Mr. Joe Stunja of Pinehurst Trail Holdings, LLC, developer 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.** President Spitzmiller recognized Mr. Jones, who stated that he had no comments.

2. **Minutes.** Proposed minutes of the regular meeting of May 10, 2022, previously distributed to the Board, were presented for approval. Upon motion by Director Berry, seconded by Director Czyz, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of May 10, 2022, as presented.

3. **Tax Collector's Report.** President Spitzmiller recognized Ms. Luevano, who presented to and reviewed with the Board the Tax Collector's Report and the Delinquent Collections Listing as of May 31, 2022. She stated that the District had collected 98.89% of its 2021 taxes as of May 31, 2022. She noted that the District's total expenses were \$3,676.59 and that the cash balance as of May 31, 2022 was \$71,118.38. She presented eight checks and a wire transfer totaling \$28,389.46 for the Board's approval.

Ms. Luevano reported that she received the preliminary estimated value from Harris County Appraisal District. She stated that the preliminary value, before protest, is \$643,851,303, and noted that the value is a 11.36% increase since 2021.

Upon motion by Director Berry, seconded by Director Czyz, 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 5052 through 5059 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Bookkeeper's Report.** President Spitzmiller recognized Mr. Diaz, who presented to and reviewed with the Board the Bookkeeper's Report for the period from May 11, 2022 to June 14, 2022, certain statements for payment, and the investment report for the period ending May 31, 2022. He stated that the current balance in the general fund is \$6,098,010.51 and that the balance in the debt service fund is \$484,161.44.

Mr. Diaz presented check numbers 1258 through 1288 for utilities and other costs for the District for approval and payment upon receipt of invoices expected prior to the District's next meeting. He noted that the general fund disbursements for the month were \$190,973.32 and that debt service disbursements for the month were \$40.00.

Mr. Diaz reviewed the schedule of investments. He stated that the total investments of all the District's funds are \$6,214,684.86.

Mr. Diaz reviewed the District's annual energy billings.

Mr. Diaz reviewed the Profit & Loss Budget Performance for the general fund. He also reviewed the operating budget.

Upon motion by Director Berry, seconded by Director Czyz, 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 1258 through 1288, from the General Fund in the amounts, to the persons, and for the purposes listed in such Report as requested herein.

5. **Discuss investing in US Treasuries and take any necessary action.** Director Czyz discussed the proposal of buying Certificates of Deposit ("CDs") with the US Treasury. Discussion ensued. Discussion ensued. No action was taken on this item.

6. **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 CFG has poured the new ringwall foundation, stripped forms and compacted backfill on both sides of the wall. She noted that TEG was present on site to test the backfill material and obtain necessary compaction tests. She reported that IDS has received and reviewed all compaction and concrete cylinder test results, all of which passed and met IDS' specifications.

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 reported that IDS received metes and bounds descriptions and exhibits for the proposed water meter and sanitary easements. She stated that NRF has drafted the Easement Agreements and IDS has sent them to HSR Kingwood for their review.

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 No. 132’s Emergency Water Interconnects. She stated that No. 132 is amidst a phased waterline replacement project, and since there are currently six emergency interconnects between No. 132 and the District, No. 132 is proposing that two are abandoned during their waterline project. She reported that the six-inch Pine Cup and 12-inch Pinehurst Trails interconnects are the two which No. 12 are proposing to abandon. She noted that IDS spoke with Inframark and they do not see an issue with abandoning with these two interconnects. She stated that the four that will remain have the capacity to adequately serve both districts in an emergency.

Upon motion by Director Berry, seconded by Director Czyz, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer’s Report and to authorize IDS to notify the engineer of No. 132 that the District agrees to abandon the two discussed interconnects.

7. Review water meter easement and sanitary sewer easement and take appropriate action. Mr. Millas presented to and reviewed with the Board the Sanitary Sewer Easement and Water Meter Easement for the High Street Residential development. Upon motion by Director Berry, seconded by Director Czyz, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Sanitary Sewer Easement and Water Meter Easement.

8. Operations Report, approve Consumer Confidence Report, authorize repairs and action on delinquent accounts. President Spitzmiller recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for May 2022.

Mr. Jenkins stated that 102.7% of the water pumped was billed for the period from April 15, 2022 to May 17, 2022.

Mr. Jenkins reviewed the Major Maintenance Summary for May 2022. He reported that Inframark repaired six water leaks in the District, repaired a leaking hydrant at 20126 Pinehurst Trail, replaced the batteries on the Generator at the Water Plant and cleaned Lift Stations Nos. 1 & 2. Director Berry requested that Inframark provide a proposal at the next meeting for the hydrants.

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.

Upon motion by Director Berry, seconded by Director Czyz, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report.

9. Discuss operator fuel surcharge letter agreement and take any necessary action. Mr. Jenkins presented to and reviewed with the Board 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. President Spitzmiller suggested that the request be further discussed when all Board members are present. Discussion ensued regarding District

rates and upcoming repairs. Ms. Wilkinson stated that she can provide a report on how many line breaks have happened within the last two years within the different subdivisions.

10. **Developer's Report.** Mr. Stunja stated that he had no report.

11. **Status report on District website.** There was no report on the District website. Mr. Diaz requested that the consideration of a contract amendment be placed on the next agenda. Ms. Luevano requested that the consideration of a Depository Pledge Agreement with Frost Bank be placed on the next agenda.

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 July 12, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

