

MINUTES OF MEETING OF BOARD OF DIRECTORS
MARCH 8, 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 March 8, 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 Director Robb, thus constituting a quorum. Also attending were Ms. Kelly Wilkinson and Mr. Matt Carpenter 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. Dimitri Millas and Ms. Jane Maher, of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District; and Mr. Joe Stunja of Pinehurst Trail Holdings, LLC, developer 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 comments.
2. **Minutes.** Proposed minutes of the regular meeting of February 8, 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 February 8, 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 February 28, 2022. She stated that the District had collected 94.84% of its 2021 taxes as of February 28, 2022. She noted that the District's total expenses were \$1,245,194.16 and that the cash balance as of February 28, 2022 was \$225,289.30. She presented 13 checks and one wire transfer totaling \$134,384.30 for the Board's 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 accept the Tax Collector's Report, and to authorize payment of check numbers 5024 through 5037 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 February 9, 2022 to March 8, 2022, certain statements for payment, and the investment report for the period ending

February 28, 2022. He stated that the current balance in the general fund is \$6,336,767.79 and that the balance in the debt service fund is \$434,179.50.

Mr. Diaz presented check numbers 1146 through 1182 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 \$171,035.85 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 \$6,291,951.68. He discussed the Certificates of Deposit ("CDs") with the Board.

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 1146 through 1182, from the General Fund in the amounts, to the persons, and for the purposes listed in such Report as requested herein.

5. 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 IDS approved the contractor's ring wall foundation submittal, based on IDS' specifications and the recommendations in the Geotechnical Report, and expects the construction of the ring wall to be the next work activity on site. She noted that the contractor notified IDS that they had received communication from their Aluminum Dome Roof supplier, Ultraflote, that the current supply chain disruptions are affecting the availability of raw materials. She reported that Ultraflote is projecting that they will not be able to fulfill the roof order until mid-October and that due to delay, Ultraflote proposed the use of an alternative Aluminum Alloy material, which has a projected delivery of late May.

Ms. Wilkinson stated that over the last couple of weeks, IDS has researched the alternative Alloy, and it does not appear to be an equal or superior material. She reported that IDS does not feel this is suitable alternative and recommends that the Board authorize the contractor proceed with the purchase order for the originally specified aluminum roof material. She stated that IDS will be requesting that the Contractor put together a firm schedule of the estimated aluminum roof delivery date that they receive. She reported that Ultraflote is no longer in business. She noted that IDS will forward the updated schedule to the Board once received.

Ms. Wilkinson reported on the capacity requests and site plan reviews. She stated that on March 2, 2022, IDS received an updated sanitary site plan from the Developer's Engineer for High Street Residential, showing the changes that the Board requested, indicating that they are ready to resubmit to Harris County for approval of the civil plans. She noted that NRF drafted a Storm Water Easement for 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 anticipates a request for the District's pro rata share sometime in the second quarter of 2022.

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.

6. **Discussion related to ownership and maintenance of Storm Water Quality feature and take any necessary action.** Mr. Jenkins stated that Inframark received a quote from Storm Water Solutions for the maintenance of the storm water quality feature and stated that the cost of monthly maintenance, clean out and annual permitting is \$2,740.00.

Mr. Millas reviewed the Storm Sewer Easement with Kingwood Residences HTX, LLC (the "Easement"). He stated that the Easement is drafted to run with the land. Discussion ensued regarding payment. It was the consensus of the Board to revise the Easement to have a \$3,000 deposit with a monthly payments of \$250. Upon motion by Director Ebeling, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Easement. Mr. Jenkins stated that he will see if Inframark can itemize the bill for the storm water quality feature fee.

7. **Review District Rate Order and take any necessary action.** The Board reviewed and discussed the District's Rate Order. Mr. Jenkins stated that the Rate Order was revised to include multi-family water rates, remove third parties to conduct inspections, and to revise the tap fees for multi-family residential. Upon motion by Director Czyz, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Rate Order.

8. **Operations Report.** President Spitzmiller recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for February 2022.

Mr. Jenkins stated that 100% of the water pumped was billed for the period from January 20, 2022 to February 16, 2022.

Mr. Jenkins reviewed the Major Maintenance Summary for February 2022. He reported that Inframark repaired three water leaks in the District, performed one level & sod, and cleaned Lift Stations Nos. 1, 2 & 3 per the preventative maintenance schedule.

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. He requested authorization to write-off one account totaling \$6.90, and to send one account to Collections Unlimited of Texas in the amount of \$32.47.

The Board discussed the disconnection fee in the Rate Order. Director Czyz discussed changing the fee to \$50. It was the consensus of the Board to discuss the Rater Order at the April meeting.

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, to write off one account totaling \$6.90 and to send one account totaling \$32.47 to Collections Unlimited of Texas.

9. **Adopt Order Declaring Unopposed Candidates Elected to Office.** Mr. Millas reviewed the Order Declaring Unopposed Candidates Elected to Office (the “Order”). He stated that Directors Berry, Robb, and Czyz are unopposed for the directors elections scheduled for May 7, 2022, and therefore the Board can cancel the election. Upon motion by Director Ebeling, seconded by Director Czyz, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Order, thereby canceling the directors elections for May 7, 2022.

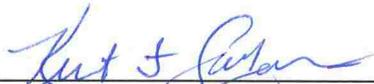
10. **Developer’s Report.** Mr. Stunja stated that there was no report.

11. **Status report on District website.** There were no further reports.

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

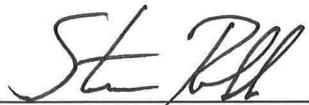
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The foregoing minutes were passed and approved by the Board of Directors on April 12, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

