

MINUTES OF MEETING OF BOARD OF DIRECTORS
MAY 10, 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 May 10, 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"); 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; and Mr. Dimitri Millas 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 April 12, 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 April 12, 2022, as presented.
3. **Qualify Directors and Elect Officers.** Ms. Maher reported that Directors Berry, Robb and Czyz were unopposed candidates for the 2022 Directors election. Discussion ensued regarding election of officers and there were no nominations presented. 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 qualify the unopposed candidates and retain the officers in their current positions.
4. **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 April 30, 2022. She stated that the District had collected 98.06% of its 2021 taxes as of April 30, 2022. She noted that the District's total expenses were \$96,906.89 and that the cash balance as of April 30, 2022 was \$57,805.05. She presented six checks totaling \$3,676.59 for the Board's approval.

Upon motion by Director Robb, seconded by Director Berry, 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 5046 through 5051 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

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 in the last month, CFG placed the reinforcing steel and form work, and had a concrete pour for the ringwall foundation scheduled for tomorrow morning. She reported that the contractor has also been working with the new aluminum dome roof manufacturer, CST, to obtain an engineered roof submittal for IDS' review. She noted that the contractor has submitted a Change Order Request to help offset some of the material price increases and to account for the delays experienced. She stated that the contractor has provided backup showing the original quotes received as well as the recent quotes received. She reported that CFG is experiencing a total increase of \$233,492 for the aluminum roof and steel tank materials. She noted that CFG has agreed to absorb \$48,492 and is requesting an additional \$185,000 from the Board for the increase in material costs. She stated that the contractor's revised projected completion date is October 15, 2022 and equates to a 166 day time extension.

Upon motion by Director Ebeling, seconded by Director Robb, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Change Order Request submitted by CFG in the amount of \$185,000 and the 166 day time extension.

Ms. Wilkinson reported on the capacity requests and site plan reviews. She stated that the developer for High Street Residential has indicated that they have a surveyed Metes and Bounds description and exhibit for the proposed Waterline Easement, but they have not yet obtained the information for the proposed sanitary sewer easement. She noted that once the information is available, NRF will draft Easement Agreements for the developer's execution.

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

6. **Bookkeeper's Report.** President Spitzmiller recognized Mr. Diaz, who presented to and reviewed with the Board the Bookkeeper's Report for the period from April 13, 2022 to May 10, 2022, certain statements for payment, and the investment report for the period ending April 30, 2022. He stated that the current balance in the general fund is \$6,121,391.38 and that the balance in the debt service fund is \$484,026.67.

Mr. Diaz presented check numbers 1224 through 1257 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 \$185,155.25 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 \$6,311,930.73. He discussed the Certificates of Deposit ("CDs") with the Board. Director Czyz proposed buying multiple two year CDs with the US Treasury. Mr. Diaz stated that he can provide a recommendation at the next meeting. It was the consensus of the

Board to include an agenda item for the next meeting.

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 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 1224 through 1257, from the General Fund in the amounts, to the persons, and for the purposes listed in such Report as requested herein.

7. **Adopt budget for fiscal year ending May 31, 2023.** Mr. Diaz reviewed the proposed operating budget for the fiscal year ending May 31, 2023. He noted that the legal budget increased to \$45k. 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 adopt the budget for the fiscal year ending May 31, 2023.

8. **Discuss deposit water rate increase, review District Rate Order and take any necessary action.** The Board reviewed the District's Rate Order. President Spitzmiller discussed revising the deposit amounts for homeowners to \$150 and renters to \$200. Discussion ensued.

Upon motion by Director Spitzmiller, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Rate Order, as amended.

9. **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 April 2022.

Mr. Jenkins stated that 99.9% of the water pumped was billed for the period from March 17, 2022 to April 14, 2022.

Mr. Jenkins reviewed the Major Maintenance Summary for April 2022. He reported that Inframark repaired five water leaks in the District, performed the fire hydrant survey throughout the District, repaired a leaking hydrant at 19711 Sage Tree, performed the annual electrical scan PM at the Water Plant, and purchased degreaser for the sewer lines throughout the District.

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 Consumer Confidence Report ("CCR") with the Board.

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 and the CCR.

10. **Developer's Report.** 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.

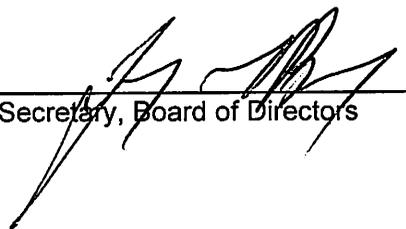
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The foregoing minutes were passed and approved by the Board of Directors on June 14, 2022.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

