

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
December 14, 2020**

STATE OF TEXAS §
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COUNTY OF HARRIS §

The Board of Directors of Harris County Municipal Utility District No. 191 of Harris County, Texas, met in **regular session**, open to the public, beginning at **6:30 PM** on **December 14, 2020**, at the Cy-Champ PUD facility at **13455 Cutten Road, Suite 1A, Houston, Texas 77069** (including a telephone conference call audible at that location, as authorized by the Governor of the Texas under an emergency declaration). The roll was called of the duly constituted officers and members of the Board, to-wit:

Robert Price	President
Ernest F. Gigliotti	Vice President
Rob Harris	Secretary
Vaughan G. Miller	Treasurer
Ronald Young	Assistant Secretary and Director

and Mr. Price, Mr. Harris and Mr. Miller were present at the meeting place, and Mr. Young and Mr. Gigliotti were present via conference call, thus constituting a quorum. Also present on the conference call were Mr. Rich Rankin and Mr. Howard Wilhite of Hays Utility South Corporation; Mr. Timothy Hardin of Langford Engineering, Inc.; Ms. Claudia Redden of Claudia Redden & Associates; Ms. Patty Rodriguez of Bob Leared Interests; and Mr. James Dougherty, attorney for the District. The President called the meeting to order, and the following business was transacted:

1. Constable/Patrol/County Matters. There was no constable report. Later in the meeting, Mr. Dougherty reported that the renewal of the law enforcement agreement with Harris County had been received, and the County had asked that it be acted on and returned by January 25, two days before the next Board meeting. He said the wording appeared to be unchanged from the current agreement, but the payments went up 2.5%. Mr. Price moved to authorize the renewal. The motion was seconded, and all voted in favor.

2. Regular Subjects, Minutes and Consent Agenda

a. Bookkeeping and financial matters. The Board received the bookkeeper's report. There was a question about Star Furniture's proposed closing and how it would be tracked in the monthly sales tax reports. Ms. Redden said she had shown the NTB account in red, because that location had closed.

Ms. Redden presented the proposed amended budget. Mr. Dougherty, Ms. Rodriguez and Mr. Price explained changes that had been made, and there was a discussion. After the discussion, Director Harris moved to: (i) accept the bookkeeper's report, (ii) approve and authorize the checks as presented and (iii) adopt the amended budget. Director Miller seconded, and all voted in favor.

b. Tax Assessor-Collector. The Board received the Tax Assessor-Collector's report from Ms. Rodriguez with the checks that had been prepared to pay tax-account bills. She updated the Board on the largest delinquent account, including pending payout agreement and lawsuit. The President mentioned that the most recent monthly sales tax payment was back up, but receipts for the year were down 17%. It was moved to accept the report and to approve and authorize the checks as presented. All voted in favor.

c. Legal matters. There was no action taken.

d. Utility operations. Mr. Rankin presented and reviewed the operations report. He said he expected many of the indicated delinquencies to be paid. There was no hearing and no action taken to authorize disconnections, reflecting the Board's prior decision to postpone disconnections until after the January meeting.

Mr. Wilhite explained the pending merger of Hays Utility South Corporation into Utility Partners LLC and another entity. He said a name change had already happened, and the merger was set to take

effect January 1, 2021. He said there was no change in management contemplated, but there would be some operational changes, like budgets. Mr. Dougherty presented some information he had found about the parent corporation, H2O Innovations, Inc., a Canadian corporation headquartered in Quebec City. Mr. Wilhite described the parent, including its start in the field of water treatment. After discussion, Director Miller moved to authorize the President to grant consent to the merger, subject to: (i) receiving credit information on the three merging entities indicating that the surviving entity would be as creditworthy as HUSC and (ii) getting a “comfort document” promptly after January 1. Director Harris seconded, and all voted in favor.

Mr. Wilhite said that the HUSC website would “automatically feed in” to the H2O website, and checks and auto debit payments should continue coming to the right addresses. He said none of the online accounts would change. The President offered to work on the wording of an announcement to the District’s utility customers to be inserted into the bills to be sent in late December, which, if necessary, could wait until January. Mr. Wilhite said that the operator would pay the full cost. He also offered to get graphics for the District’s website.

Finally, Mr. Rankin updated the Board on the sprayers at the WWTP. It was then moved and seconded to accept the operator’s report. All voted in favor.

e. Minutes. It was moved and seconded to approve two sets of minutes (October and November meetings). All voted in favor.

3. Water and Sewer Matters. There was no action taken, except as described below for engineering and projects.

4. Engineering & Projects. Mr. Hardin presented the engineer’s report. He updated the Board on recent permits and repairs to two manholes (Lift Station #3 force main discharge manhole and receiving manhole). He said the GIS system should be up and running in the coming week. It was moved and seconded to accept the engineering report. All voted in favor.

5. Energy, Streetlights, Etc. There was no action taken.

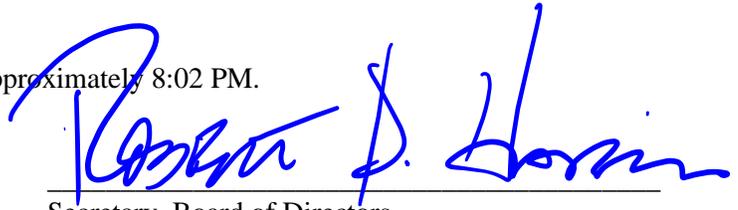
6. FM 1960 Project. Mr. Price updated the Board on the pending SP2125 application for relocation assistance. Apparently, there had been some difficulty with communications inside TxDOT that had slowed the application’s review, and a decision was some months away.

7. Records, Communications, Meetings, etc. Mr. Dougherty presented a proposed update of the District’s records management policy. It was derived from the State’s template, and it would appoint the President as the “records management officer,” as discussed at the November meeting. He recommended that it be adopted as a new Exhibit “G” to the rate order.

The President and Mr. Dougherty recommended that the Board approve a work order for services to assist in preparation of an inventory of all the District’s records, including a survey to be sent to the District’s consultants. The plan was to bring the inventory back to the Board with a recommendation about how much more would need to be done with the records, like physically assembling, indexing and storing them--or disposing or digitizing them. For the work order, they recommended using a local records management consulting company (Pacotech, Inc.) and that the amount payable be limited to \$2,500, payable on an hourly basis.

After discussion, Director Miller moved to: (i) adopt and re-adopt the District’s rate order, with a new Exhibit “G” (entitled “RECORDS MANAGEMENT POLICY”) and new section to list and adopt all of the exhibits, including the new Exhibit “G,” and (ii) authorize the recommended work order. The motion was seconded, and all voted in favor.

(Adjournment) The meeting adjourned at approximately 8:02 PM.



Robert J. Horvath

(SEAL)

Secretary, Board of Directors