

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
March 24, 2021**

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 **March 24, 2021**, 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

Mr. Price, Mr. Harris and Mr. Miller were present at the meeting place, and Mr. Young and Mr. Gigliotti were present by conference call, thus constituting a quorum. Also present, by conference call, were Mr. Rich Rankin and Mr. Howard Wilhite of H2O Innovation Maintenance and Operation LLC f/k/a 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; Mr. James Dougherty, attorney for the District; and Mr. Dan Dompier representing Leader Trading LLC (owner of the “granite store” site on Hargrave at SH 249). Also present at the meeting place were Deputy Jose Rivera, Lt. Mike Cohen and a Sergeant of the Precinct 4 Harris County Constable’s office. The President called the meeting to order, and the following business was transacted:

1. Constable/Patrol/County Matters. Deputy Rivera presented the constable report for January. He listed some minor incidents, including a family disturbance and thefts of catalytic converters at a hotel site on SH 249.

2. Regular Subjects, Minutes and Consent Agenda

a. Bookkeeping and financial matters. The Board received the bookkeeper’s report and investment report. Ms. Redden explained that the report was sent out in advance, and she offered to answer questions. Mr. Dougherty explained the dispute over the GLO-Cavallo billings for electricity. After discussion, it was moved and seconded to approve and authorize the notice of dispute and authorize withholding of the amounts in dispute (and pay the undisputed amounts). The motion was seconded, and all voted in favor. Mr. Dougherty asked Ms. Redden to call the following day to arrange delivery of the notice of dispute, with the checks for the undisputed amounts.

After discussion, Director Miller moved to receive and approve the investment report submitted by the Investment Officer and to order that a written instrument be adopted and shown on the report stating that the Board had: (i) received and approved the report and (ii) reviewed the District’s investment policy and investment strategies and decided to make no changes to them. Director Harris seconded, and all voted in favor, thus adopting the motion. It was then moved to accept the bookkeeper’s report and to approve and authorize the checks as presented, also a check to reimburse Cy-Champ PUD as discussed. The motion was seconded, and all voted in favor.

b. Tax Assessor-Collector. The Board received the Tax Assessor-Collector’s report from Ms. Rodriguez. She said collections of 2020 taxes were above 94%, slightly better than the prior year. She mentioned a large delinquency for a hotel property and said the owner was paying off smaller accounts first. She said the total due, with penalties and interest, was over \$92,000. It was then moved to accept the report and approve and authorize the checks as presented. All voted in favor.

c. Legal matters. There was no action taken, except as noted under the engineering item.

d. Utility operations. Mr. Rankin presented and reviewed the operator report. He asked about normal termination procedures. The President asked that they be resumed, but subject to the discretion of the operator to provide relief under the rate order. The President granted his approval for the operator to provide such relief, if applied for. Mr. Rankin presented a request to waive about \$350 in penalties that had accrued on an account after a customer had died. It was moved and seconded to waive those penalties. The motion was adopted. Mr. Rankin said he had made arrangements to pay back water in kind to Cy-Champ PUD, to compensate for the water provided by Cy-Champ during the water tank inspection.

Director Harris moved to accept the operator's report. Director Miller seconded, and all voted in favor.

e. Minutes. It was moved and seconded to approve minutes for the February 18, 2021 special meeting and the February 24, 2021 regular meeting as presented. All voted in favor.

3. Water and Sewer Matters. Early in the meeting, Mr. Dompier reviewed the submissions made for the Leader Trading site on Hargrave at SH 249. He said a tenant was negotiating to occupy the same trailer as the former granite store operator, and the capacity required would not change. Mr. Hardin said the permit application, permit fee, and plan-review deposit had been received, and the plans looked good. After discussion, there was a motion to authorize the requested permit (300 GPD). The motion was seconded, and all voted in favor.

After the motion on the Leader Trading matter, the President explained that Mr. Chayn Mousa was appealing from the operator's estimate of costs to install a four-inch fire connection (estimated at about \$14,000). Mr. Dougherty gave the background on the rate order, which called for the applicant to pay the actual cost of the connection plus 200%. The President recognized Mr. Mousa to make his presentation. Mr. Mousa said he was not challenging the rate order, only the estimate of cost. He said the cost should be about \$5,000. He said H2O had no incentive at all to give a fair price. He presented actual cost estimates from other MUD's, which he said he got from his engineer or his fire-system contractor. Those estimates were: (i) \$5,500 and \$5,775, from Mr. Mike Baldwin, (ii) \$4,750, from a fire-system contractor and (iii) \$4,780, from Mickie Services. Mr. Mousa criticized a \$100 inspection fee.

Next, the President called upon Mr. Wilhite to make a presentation on behalf of the operator. Mr. Wilhite said the materials cost was \$4,618, and there would be additional labor and equipment costs (for two days), because the excavation would be about ten feet deep. He said the total estimate was \$14,590.14. The President said he had made some inquiries, and he got one report indicating it might cost \$5,000—possibly more—and another report indicating it might cost about \$20,000. Mr. Mousa questioned the cost of the materials. Mr. Wilhite said the materials vendor was the ACT firm, which provides competitive prices. He indicated that the estimated labor and equipment cost to make the excavation was about \$6,000. It was not clear if the estimates presented by Mr. Mousa included comparable cost components. Mr. Wilhite explained that the estimate for a double check valve may have come before the plans were approved, because they showed an above-ground backflow preventer and bypass meter.

After discussion, the President indicated he would seek more information, and it might be necessary to hold a special meeting.

4. Engineering & Projects. Mr. Hardin presented the engineer's report. He updated the Board on the proposed commercial development at the intersection of SH 249 and Schroeder Road. Regarding the Mirage 38 fire line (Mousa project), he said the plans has been approved, and a permit application had been received. He recommended approval of the permit.

Addressing the inspection report for the ground storage tank, he said the estimate for repairs and coating touch-ups was about \$24,000. He recommended solicitation of price quotes. The President asked the engineer to do so.

Mr. Hardin reviewed the manhole inspection reports. After discussion, there was a motion to authorize the permit for the Mirage 38 fire line and to authorize the engineer to get quotes for the ground storage tank repairs. The motion was seconded, and all voted in favor.

Mr. Dougherty reported on the TDEM-FEMA Hazard Grant Mitigation Program and the upcoming BRIC program. He said the District could apply for 75% grant funding for generators, but a FEMA-approved hazard mitigation plan was required, and the cost of the plan could be around \$50,000 to \$60,000. He said it was possible to apply for grant to fund 75% of the cost of preparing the plan. There were questions and a discussion. The President asked Mr. Dougherty to gather more information and report to him so that, if necessary, a special meeting could be called. Mr. Gigliotti asked for information on a back-up service agreement for generators. The President asked Mr. Hardin to investigate.

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

6. FM 1960 Project. Mr. Price gave a brief update on the previous submissions to TxDOT (water and sewer agreements).

7. Records, Communications, Meetings, etc. Mr. Price gave a brief progress report.

(Adjournment) The meeting adjourned at approximately 8:55 PM.

(SEAL)



Secretary, Board of Directors