

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
May 26, 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 **May 26, 2021**, at the Cy-Champ PUD facility at **13455 Cutton 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. Gigliotti and Mr. Young 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; Mr. Timothy Hardin of Langford Engineering, Inc.; Ms. Claudia Redden of Claudia Redden & Associates; and Ms. Patty Rodriguez of Bob Leared Interests. Also present at the meeting place were Mr. James Dougherty, attorney for the District, and Deputy Jose Rivera 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 April. He mentioned some disturbance reports and a firearm that was stolen from a vehicle.

2. Regular Subjects, Minutes and Consent Agenda

a. Bookkeeping and financial matters. The Board received the bookkeeper's report and investment report. Ms. Redden mentioned a large payment received and a transfer to TexPool, as she reviewed the report, including some of the checks prepared for approval. Mr. Price observed that sales tax revenues appeared to be declining. Ms. Rodriguez said that payments for Star Furniture and a tire store were still shown in the report. Mr. Dougherty mentioned the dispute over the GLO-Cavallo billings for electricity.

After discussion, it was moved to accept the bookkeeper's report and to approve and authorize the checks listed in the report, also three refund checks added (#11700, #11701 and #11702). The motion was seconded, and all voted in favor. Also, Director Harris 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 Miller seconded, and all voted in favor, thus adopting the motion.

After discussion of electricity billings, it was moved and seconded to approve and authorize a notice of dispute to GLO-Cavallo and authorize withholding of the amounts in dispute (and pay the undisputed amounts), with further authorization to issue checks for and pay all or part of the withheld amounts (for prior billing periods) when: (i) the disputes are resolved in favor of the District, (ii) payment is recommended by P3, or (iii) the President otherwise determines that payment should be made. The motion was seconded, and all voted in favor (5-0).

Ms. Redden mentioned the need to change the District's depository bank from BBVA USA to a new bank. She recommended Central Bank. Mr. Wilhite mentioned that changing banks would require changes in credit cards, e-checks and other electronic utility payments. There was discussion about

keeping an account at BBVA to receive the electronic utility payments, even if the main account were moved to another bank. There was a brief discussion about the possible use of a letter of credit to collateralize deposits at a new depository. The President asked that the necessary documents be prepared and brought back to the Board.

b. Tax Assessor-Collector. The Board received the Tax Assessor-Collector's report from Ms. Rodriguez. She reported that there had been no payments toward the large delinquencies for a hotel property, and there was a discussion about those delinquencies and the lawsuit status. There was a question about tax payments deferred or reduced because of damage from the severe winter weather in February. Mr. Miller reported that many properties in the older part of the District were affected. It was moved to accept the Tax Assessor-Collector's report and approve and authorize the checks as listed in the report. 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 mentioned a large delinquent account and indicated that he would stay on it. He mentioned the manhole inspections and recommended an 8-inch mag meter for the interconnection with Cy-Champ PUD. There was a motion to authorize the 8-inch mag meter. The motion was seconded, and all voted in favor (adopted 5-0). Mr. Wilhite gave an update on the fire line for the "Mirage 38" project (a new bar in the Mousa shopping center building). Mr. Price said he would like to work with the operator during the upcoming month on the level of detail shown in the monthly invoices from H2O Innovation. It was moved and seconded to accept the operator's report. All voted in favor (adopted 5-0).

There was a discussion about the draft consumer confidence report. It was duly moved and seconded to approve the current draft of the report and authorize "hybrid" distribution (electronic and on paper, for those not likely to see the electronic notice). The motion was adopted unanimously (adopted 5-0).

e. Minutes. Draft minutes for meetings held March 24, April 16 and April 28, 2021 were reviews. It was duly moved and seconded to approve them, as corrected. All voted in favor (adopted 5-0).

3. Water and Sewer Matters. There was no action taken, except as covered in the operator and engineer sections.

4. Engineering & Projects. Mr. Hardin presented the engineer's report. He gave an update on the proposed commercial development at the intersection of SH 249 and Schroeder Road. He discussed the estimates in the report for back-up generation for lift stations and the WWTP, including an option for leasing a generator. He discussed the differences between diesel and natural gas generators. There was a general discussion. Mr. Wilhite said operators preferred diesel generators, and he discussed procedures to be followed in case of an approaching hurricane. After further discussion, the President asked that a matrix be prepared to show the choices on diesel generators (without soft-start devices), with a phasing plan.

The President asked about amounts remaining under the engineering work orders for general work and TxDOT work. Mr. Hardin suggested \$25,000 as the amount for the additional work order for the general work. The President suggested \$3,000 as the amount for TxDOT work. There was a motion to authorize work orders in the amount of \$25,000 for general work and \$3,000 for TxDOT work. The motion was seconded and adopted (adopted 5-0).

Later in the meeting, the President and Mr. Dougherty gave an update on the proposed termination of the old interconnection agreement with the City of Houston (successor to Harris County Municipal Utility District No. 254). The proposal included an option to buy a segment of the 12-inch line that crossed beneath the BNSF Railroad.

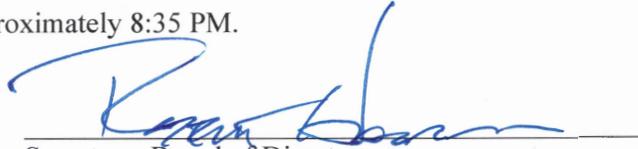
5. Energy, Streetlights, Etc. There was no action taken, except as described in the bookkeeper section.

6. **FM 1960 Project.** Mr. Price and Mr. Dougherty gave an update on the last communications with TxDOT and representatives for FWSD#61. They described a new approach inspired by a Transportation Code section that authorizes transfers of easements to TxDOT by public agencies. After discussion, there was a motion to authorize the President and the attorney to propose the new approach and to work in tandem with FWSD#61. The motion was seconded and adopted.

7. **Records, Communications, Meetings, etc.** There was no action taken

(Adjournment) The meeting adjourned at approximately 8:35 PM.

(SEAL)


Secretary, Board of Directors