

**MINUTES OF SPECIAL MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
August 29, 2022**

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 **August 29, 2022**, at the Champions MPC Clubhouse, 13719 Champions Centre Drive, Houston, Texas 77069. The duly constituted officers and members of the Board were:

Robert Price	President
Rob Harris	Secretary
Vaughan G. Miller	Treasurer
Ronald Young	Assistant Secretary and Director
Deborah Umphry	Director

and all of them were present, thus constituting a quorum. Also present was Mr. James Dougherty, attorney for the District. Mr. Patrick Smith of SPE joined the meeting shortly after it began and left after the discussion of the pending lawsuit. After the meeting was called to order, the following occurred:

1. Utility/operational matters. The President briefed the Board about sanitary sewer surcharges, including both historical and current issues.

When Mr. Smith arrived, Mr. Dougherty gave a background summary of the pending litigation, *Mousa v. H2O et al*, and Mr. Smith gave a current briefing. There was a discussion about the lawsuit and the pending requests from Mr. Mousa (which were to waive the July surcharge and review the credits granted after the previous hearing).

2. Water and sewer matters. There was a discussion of water and sewer matters under Items 1 and 3.

3. Rate Order, rules, regulations.

The Board considered draft amendments to the District's rate order, which included proposed tap fees and a new section on administrative remedies that included a provision for a "special master" to hear complex matters. There was a general discussion, focusing on the role of the special master, the costs, etc., also the details of the tap fees and changes to the draft. After that discussion, there was a motion by Director Harris to adopt and re-adopt the rate order with the draft amendments, with two changes: (i) in the tap fee section, at the top of page 3, delete the second exception (regarding public agencies, civic or homeowner's associations); and (ii) in the administrative remedies section, add "with the approval of the Board" to the proposed new Section 16(d), as a condition to the President's authority to refer matters to a special master and appoint a special master. The motion was seconded by Director Miller, and, when the question was called, all voted in favor. The motion was adopted.

There was then a motion by Director Harris to: (1) receive Mr. Mousa's request to waive a July surcharge; (2) receive Mr. Neville's letter of July 29, 2022, as an appeal, on behalf of Mr. Mousa, of the size of the credit granted on Mr. Mousa's account for the center at 13455 Cutten Road, Houston, Texas 77069; and (3) approve referral by the President of both matters to a special master; and (4) approve appointment by the President of an "outside" special master (who could not be otherwise employed by or related to the District) with a budget for the master's fees not to exceed \$5,000. The motion was seconded by Director Miller, and all voted in favor.

4. Insurance, etc. The attorney and Mr. Price briefed the Board on the AJG proposal for renewal of the District's insurance policies and the need for an application to the Great American Insurance Company

for a new D&O policy. There was a discussion about the matters to list on that application. After the discussion, Director Harris moved to authorize the AJG proposal and the application (listing the matters discussed). The motion was seconded, and all voted in favor.

5. Financial matters. The attorney briefed the Board on the additional documents required by Allegiance Bank for the new depository agreement. After discussion, there was a motion to approve and adopt the additional documents (which were entitled Account Information, Checking Account; E-signature authorization; Resolution Governmental Entity; etc. with the notes and inserts supplied by the attorney). the motion was seconded, and all voted in favor

6. Energy, streetlights, etc. There was no action taken.

7. FM 1960 project (TxDOT). There was no action taken.

(Adjournment) The meeting adjourned at approximately 9:30 PM.

(SEAL)



Secretary, Board of Directors