

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
September 28, 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 **September 28, 2022**, at the **Cy-Champ PUD facility at 13455 Cutten Road, Suite 1A, 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.

All were present, except Mr. Miller, thus constituting a quorum. Also present were Mr. Rich Rankin of H2O Innovation Maintenance and Operation LLC; Mr. Timothy Hardin of Langford Engineering; Ms. Patty Rodriguez of BLICO, Inc.; Ms. Sarah Redden of Claudia Redden & Associates; Deputy Jose Rivera of the Precinct 4 Constable’s Office; and Mr. James Dougherty, attorney for the District. Messrs. Martin Hornes, Alex Morgan, and Mike Deleonardis, representing the Pappas Restaurants firm, were also present. Mr. Chayn Mousa arrived during the bookkeeper’s report.

1. Constable/Patrol/County Matters. Deputy Rivera gave the Constable report, which included only minor incidents. He said most of the activity involved a hotel.

2. Regular Subjects, Minutes, and Consent Agenda

a. Bookkeeping and financial matters. Ms. Redden presented the bookkeeper’s written report. She described fund balances and the “sweep” account. There was a question about the budget, and the President explained that it had been approved at the prior meeting, but there could be amendments.

There was also a motion to accept the bookkeeper’s report and to approve and authorize the checks that had been prepared, plus checks for per-diem fees for the two special meetings. The motion was seconded, and all voted in favor.

The President recognized Mr. Mousa, who asked about an application for a new water meter for his new house project on Vintage Parkway. The President explained that the application had not yet been received. Mr. Mousa said it had been submitted by email about ten days previously. The President explained that the email included only house plans, not the application. Mr. Dougherty advised the Board that, because of the pending litigation, the inquiry from Mr. Mousa had been referred to the attorneys for response. Mr. Mousa then asked what was the “normal” period for getting a water meter. The attorney again advised the Board that, because of the pending litigation, the inquiry should be referred to the attorneys for response. Mr. Mousa then asked what an inspector was doing at his house. The attorney advised the Board that the very same question (which had come by email) had already been referred to the attorneys for response. Mr. Mousa also asked if the District had made him (the landlord) an additional insured on the District’s insurance for the use of the Cy-Champ facility, as required by the lease. The President asked the attorney to look into that question.

b. Tax Assessor-Collector. Ms. Rodriguez presented the Tax Assessor-Collector’s report. There were questions about certified and uncertified values, including values under protest. She said that, during the prior year, about \$8 million in value had been lost because of litigation (i.e., lost from the aggregate taxable value). The Board reviewed the tax rate it had proposed at the special meeting. There was no action taken to change the proposed rate. Ms. Rodriguez noted that the hearing would be in October.

Mr. Dougherty gave an update on the discussions with Allegiance Bank. He reported that there had been a conference call to discuss the Bank's insistence that the Board authorize checks with only one signature. He explained that an exception in the law would allow it if the single signer were the Treasurer (or Assistant Treasurer). He said the Bank representative had asked to see proposed wording to do that, and he had sent it, but the Bank had not yet approved it. He said the wording also included a restriction on transfers out of the District's account, which had also been discussed on the conference call.

c. Legal matters. There was no action taken.

d. Utility operations. Early in the meeting, the President opened a hearing on the Pappas Restaurants appeal of a sanitary sewer surcharge for the Pappadeaux restaurant. The President recognized the three Pappas Restaurants representatives in attendance and called on Mr. Dougherty to give the background. Mr. Dougherty described the decision that was being appealed, and he pointed out that the Operator (as Pretreatment Coordinator) had limited discretion to change a surcharge, but the Board had greater discretion, based on its authority to grant variances, interpretations, etc. The representatives described the restaurant operations when the sample was taken, also the "best practices" that were in effect. They said they had not yet found anything unusual. They said they had switched to a 30-day pumping cycle for the grease trap (but no problems had been found with the grease trap). It appeared that the July sample (on which the surcharge was based) was a "grab" sample, not a composite sample. Mr. Morgan said they had arranged for additional samples to be taken, but the results were not yet available. He suggested that the Board could postpone a decision until the new test results became available, which would provide additional data points.

There were questions and a general discussion. It appeared that the concentrations from the most recent sampling (for September) had come down, but both the June and August concentrations were above long-term patterns. The Board also looked at variations in water usage (which affected the surcharge calculations). It appeared that the July sample was taken later in the month than normal. After further discussion and calculations, there was a motion to: (i) reset the surcharge amount for the July billing to \$2,726.57 and authorize the operator to re-bill it at that level, and (ii) waive late fees that may have accrued for non-payment of the original July bill. The motion was seconded, and all voted in favor.

Later in the meeting, Mr. Rankin presented a written operator's report. There were questions and a discussion about the theft of copper wiring at the sewage treatment plant and how to prevent it in the future.

The Board opened a public hearing for any persons present to be heard to show cause why their water service should not be terminated for non-payment of utility bills. The operator reported that the hearing notice was given for each account on the list of proposed terminations. It was noted that no persons were present to be heard, and the public hearing was closed. The operator recommended service terminations for the accounts on the list in accordance with the District's standard operating procedures. It was then duly moved and seconded that: (i) the amount shown for each account on the list of proposed service terminations be found to be correct, (ii) although notice of that night's hearing was given to each person on the list, no one appeared, and (iii) water service be authorized to be terminated to the accounts listed, in accordance with the District's standard operating procedures. The motion carried by unanimous vote.

The President asked about an increase in sampling charges from the NWDLS lab. Mr. Rankin said he would find out about it and report back.

There was a discussion about the due date of water-sewer bills. Mr. Dougherty distributed a draft insert for an amendment to the rate order. After further discussion, there was a consensus to require that bills be mailed by the fifth day of the month, with the due date (last day for payment before additional charges apply) being fixed at the 26th of the month.

e. Minutes. There was a motion to approve draft minutes from the meetings held on August 24 and 29, 2022. The motion was seconded, and all voted in favor.

3. Water and Sewer Matters. Later in the meeting, the President presented a land-use map coded to show water rate categories, also locations of irrigation meters. He said there was a "lost" or unknown meter

coded to an address on Stratford Way. He said there was also a mystery meter near the intersection of Cutten Road and Napier (he said it might be owned by Cy-Champ PUD, but it was unclear which District's water lines served it). He also reported that Cy-Champ PUD had approved improvements to the irrigation system for the Cutten Parkway project. Apparently, Cy-Champ PUD was seeking cost sharing by the District for about \$33,000. There was a discussion about possible cost savings from the improvements and the payback period (from reduced water usage), which appeared to be about four to five years. After further discussion, Director Harris moved to approve payment of the District's apportioned share to Cy-Champ PUD. Director Young seconded, and all voted in favor.

4. Engineering & Projects. Mr. Hardin presented his written engineer's report. He discussed the need for a small, triangular easement on the northeast corner of the Vivo Apartments project. The purpose was to link a relocated sewer line (for the TxDOT project) to an existing manhole inside the Vivo tract. The needed easement area was about 379 square feet. He recommended that the District offer the Vivo owner \$13.50 per square foot, a figure based on a draft appraisal for the closest new easement. There was a motion to approve such an offer. The motion was seconded, and all voted in favor.

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

6. FM 1960 Project. There was no action taken.

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

(Adjournment) The meeting adjourned at approximately 9:07 PM.

(SEAL)



Secretary, Board of Directors