

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
August 23, 2023**

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 23, 2023, 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
Vaughan G. Miller	Vice President
Rob Harris	Secretary
Ronald Young	Treasurer
Deborah Umphry	Assistant Secretary

All were present, except Ms. Umphry, thus constituting a quorum. Also present were Jacob Williams and Michelle Giacona of H2O Innovation Operation & Maintenance LLC; Kelly Trebing of Claudia Redden & Associates; Patty Rodriguez of BLI Corp.; Timothy Hardin of Langford Engineering; and James Dougherty, attorney for the District.

1. Constable/Patrol/County Matters. There was no action taken.

2. Regular Subjects, Minutes, and Consent Agenda

a. Bookkeeping and financial matters. Ms. Trebing presented the bookkeeper’s report. After discussion, there was a motion to accept the report and approve and authorize the checks presented for payments. Later in the meeting, there was a question about the “per diem” rate for the Director fees of office and new legislation on that subject. After a discussion, Director Harris made a motion to amend the District’s RESOLUTION ADOPTING STANDARD OPERATING PROCEDURES to set the fees of office for Directors at the per diem rate set from time to time by the Texas Ethics Commission for members of the Legislature under Section 24a, Article III, Texas Constitution, as allowed by the new legislation. The motion was seconded and adopted. Director Miller seconded, and the motion was adopted unanimously (4-0).

There was a motion to accept the bookkeeper’s report and approve and authorize the checks presented with the report, plus two more: (i) \$73,192 payable to the Registry of the Harris County Court at Law No. 3 for the amount of the special commissioner’s award for the Whataburger sewer easement (TxDOT project), and (ii) a check for Director fees of office. The motion was seconded and adopted unanimously (4-0).

There was a question and a discussion about a request from Mr. Chayn Mousa that the District pay for a tree on Cutten Road that he said had died. After discussion, there was a motion to decline the request. The motion was seconded and adopted unanimously (4-0).

b. Tax Assessor-Collector. Ms. Rodriguez presented the Tax Assessor-Collector’s report. There was a question about the certified rolls. Ms. Rodriguez said they were not yet available, but preliminary estimates from HCAD indicated about a 10% increase in taxable value. There was a motion to accept the Assessor-Collector’s report and approve and authorize the checks presented with the report.

c. Legal matters. There was no action taken.

d. Utility operations. Mr. Williams presented the operator’s report. He mentioned a delinquent account for which service was terminated, and there was an inquiry about the District’s deposit policy. Mr. Dougherty explained that the rate order specified a *minimum* deposit of \$150, and:

... if service is terminated for non-payment, the amount of the deposit is increased by the amount necessary to increase the deposit to the applicable minimum (as stated above), and, if the deposit is already at or above such minimum, the deposit is increased by \$100 each time.

Mr. Williams indicated that the deposit in question would be increased. There were also questions about a tire store account and the grease trap inspection report.

The President 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 a 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.

There was a motion to accept the operator's report. The motion was seconded and adopted unanimously.

The Board considered a proposal to amend Exhibit C of the operator's contract, which Mr. Williams provided, with some sample invoices (to show the effect changing rates in Exhibit C). After discussion, the proposal was tabled for further study and consideration by the full Board.

e. *Minutes.* There was a motion to approve draft minutes for the meeting of July 26, 2023. The motion was seconded and adopted (4-0).

Later in the meeting, the attorney reported on an interview with Ms. Kim Courte at the A. J. Gallagher insurance firm. He said Ms. Court mentioned huge increases in property losses and premiums nationwide, but the terms and deductibles on the policies had not changed. After discussion, there was a motion to approve and authorize the renewal proposal from the A. J. Gallagher firm. The motion was seconded, and all voted in favor.

3. Water and Sewer Matters. The engineer gave an update on the parks that Cy-Champ PUD was developing on Cutten Road (inside the boundaries of the MUD No. 191). There were questions about the permits and the tap fees, and the Board considered a request from the Cy-Champ attorney to reduce the tap fee, also a related request to reduce the extension fees for the two permits (Park A and Park B). There was a general discussion, including a review of amounts paid by the District for parkway maintenance (plus water the District was providing), revenues lost (and to be lost in the future) as a result of removing sites from the tax rolls and changing their use, and amounts collected by Cy-Champ from the area near the former Wal-Mart site (which is served by the District without cost sharing or payment by Cy-Champ). There was further discussion, after which Director Miller moved to amend the District's rate order by adding the following exception to Section 1.52 in Exhibit "E":

For a public park located inside the District's boundaries and not paid for, in whole or part, by the District, the fee for extension (or renewal) of a major permit for a period not exceeding 15 months is \$200, if construction has actually started.

Director Harris seconded, and all voted in favor (4-0).

The President gave an update on the irrigation system for the Cutten Road parkway. He said the contractor's rep (who oversaw the system) had said the system was supposed to be inspected monthly. He also said Cy-Champ PUD was requesting participation by the District for new sprinkler heads. After further discussion, Director Miller moved to approve and authorize payment of the requested participation share. The motion was seconded, and all voted in favor.

Later in the meeting, the attorney reported on the proposed rate study. He said the analyst at the Carollo firm had left the firm, and the supervisor at Carollo had expressed a reluctance to attempt the work without him. He explained that Mr. Philip Givens, the principal at the Superior Management firm,

had also expressed interest in doing the rate study, and there was a discussion. It appeared that extensive support from the engineers and the operator would be needed to support the rate analysis, particularly in assembling cost data for the analyst. After discussion, there was a motion to authorize a work order to obtain the services of Mr. Givens at the Superior Management firm for the first phase ("cost of service" phase), for an amount not to exceed \$10,000. The motion was seconded and adopted (4-0).

4. Engineering & Projects. Mr. Hardin presented the engineer's report. He described the proposed reconstruction of the Chick-Fil-A restaurant on Cutten Road, including possible problems with extending a future water line southward and the City of Houston's changing policies on water line easements. After discussion, there was a motion to determine that a new waterline easement parallel to Cutten Road would not be required. The motion was seconded, and all voted in favor (4-0).

Mr. Hardin presented the bids for the WWTP improvements, and he recommended an award to the apparent low bidder, Sustanite Support Services LLC, on its bid in the estimated amount of \$1,291,000. There was a discussion about the Contract Time, which was 210 days. Apparently, the estimated delivery time for some of the major equipment was 200 days. Mr. Hardin said he planned to confer with the contractor after award and determine an appropriate time schedule and, if appropriate, recommend a change order to increase the Contract Time. After discussion, Mr. Miller moved to award the contract to Sustanite Support Services LLC, on its bid in the estimated amount of \$1,291,000. Director Harris seconded, and the motion was adopted (4-0).

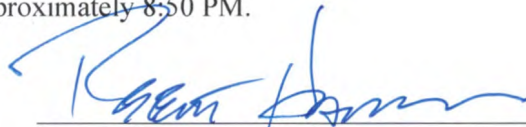
5. Energy, Streetlights, Etc. There was no action taken.

6. FM 1960 Project. The President gave a brief update on the easement acquisitions. The engineer reported on City plan approvals and the bid advertisements.

7. Records, Communications, Meetings, etc. Earlier in the meeting, there was an inquiry about the meeting place, specifically a constantly beeping alarm and the low-performing air conditioning system. The Vice President indicated that he would follow-up with the HOA about necessary repairs.

(Adjournment) The meeting adjourned at approximately 8:50 PM.

(SEAL)



Secretary, Board of Directors