

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

January 8, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 18 (the "District") met in regular session, open to the public, on the 8th day of January, 2024, at the offices of Baxter & Woodman, Inc., 11450 Compaq Center Drive, Suite 660, Houston, Texas 77070, outside the boundaries of the District, and the roll was called of the members of the Board:

Robert A. Bernardini	President
Karl Skarboszewski	Vice President
Michael L. Murr	Secretary
Vally Swann	Assistant Secretary
Charlie Kennedy, Jr.	Assistant Vice President

and all of the above were present, except Director Swann, thus constituting a quorum.

Also present at the meeting were: Wendy Austin of District Data Services, Inc.; Isabel Mata of Wheeler & Associates, Inc.; Janice Noeldner of Baxter & Woodman, Inc. ("Baxter & Woodman"); Mike Plunkett of Eagle Water Management, Inc.; and Faye Simonds of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There were no public comments.

MINUTES

The Board considered approving the minutes of the December 11, 2023, regular meeting. After review and discussion, Director Kennedy moved to approve the minutes as presented. Director Bernardini seconded the motion, which passed unanimously.

SECURITY MATTERS

The Board reviewed the security report and discussed security matters in the District. A copy of the security report is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Austin reviewed the bookkeeper's report, including the energy consumption report and budget comparison, and the District's bills presented for payment. A copy of the bookkeeper's report is attached.

Ms. Simonds stated that, in accordance with the District's Investment Policy, Wendy Austin, as the District's bookkeeper and investment officer, is required to execute Disclosure Statements that disclose any relationships with banks and brokers who seek to sell investments to the District.

Following review and discussion, Director Murr moved to: (1) approve the bookkeeper's report and payment of the bills; and (2) accept the Disclosure Statements under the Public Funds Investment Act, direct that the Statements be filed with the Texas Ethics Commission, and direct that the Statements be filed appropriately and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata reviewed the tax assessor/collector's report and the delinquent tax roll, copies of which are attached.

Following review and discussion, Director Bernardini moved to approve the tax assessor/collector's report and payment of the tax bills. Director Skarboszewski seconded the motion, which passed unanimously.

ENGINEERING REPORT

Ms. Noeldner reviewed the engineer's report, a copy of which is attached.

Ms. Noeldner reviewed a summary of current and anticipated future capital projects, a copy of which is attached to the engineer's report. She then reviewed a schedule for the Oak Bluff water plant 350,000-gallon ground storage tank rehabilitation.

Ms. Noeldner gave an update on Lake Forest Plant Advisory Committee ("LFPAC") activities and reviewed the Plant engineer's report, a copy of which is attached to the engineer's report.

Ms. Noeldner gave an update on the District's water system model and evaluation, as reflected in the engineer's report.

Ms. Noeldner updated the Board on the Phase IV sanitary sewer cleaning and televising.

Ms. Noeldner updated the Board on the Malcomson Road water plant generator replacement, fence replacement, and site improvement project. She discussed the Public Utility Commission of Texas proposed Texas Energy Fund and a potential grant for the project. Director Bernardini requested ABHR and Baxter & Woodman research the proposed Texas Energy Fund and grant funding.

Ms. Noeldner updated the Board on the water plant coating improvements, as reflected in the engineer's report. She recommended the Board approve Change Order No. 1 to the contract with The Trey Evans Company, for water plant coating improvements, to increase the contract in the amount of \$400.00. The Board determined that Change Order No. 1 is beneficial to the District.

Ms. Noeldner updated the Board on the water plant improvements, as reflected in the engineer's report.

Ms. Noeldner updated the board on the hazardous materials operational permits for the Oak Bluff and Malcomson Road water plants.

Ms. Noeldner updated the Board on the lead service line inventory.

Ms. Noeldner reported that construction of the Hamilton Elementary School addition is nearing completion.

Following review and discussion, and based on the engineer's recommendation, Director Bernardini moved to: (1) approve the engineer's report; and (2) approve Change Order No. 1 in the amount of \$400.00 as an increase to the contract with The Trey Evans Company, based upon the Board's finding that the Change Order is beneficial to the District. Director Skarboszewski seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES AND HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Plunkett presented the operator's report, a copy of which is attached, and reported on maintenance work in the District. He stated that the District's water accountability for the previous month was 91.66%.

The Board conducted a hearing on the termination of utility service. Mr. Plunkett reported that the residents on the termination list provided to the Board were mailed written notice prior to the meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board to explain, contest, or correct the utility service bill, and to show reason why utility service should not be terminated for reason of nonpayment.

The Board discussed the damage to several District trunk and service lines by EZEE Fiber's contractor. Mr. Plunkett stated that the repair work is complete, and the contractor has been back charged for the work.

Following review and discussion, Director Bernardini moved to: (1) accept the operator's report; and (2) terminate utility service in accordance with the procedures set forth in the District's Rate Order because the residents on the termination list were neither present at the meeting nor had presented any statement on the matter, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

REVIEW DISTRICT INFORMATION KIT

The Board reviewed the District Information Kit. Ms. Simonds stated that any comments on the District Information Kit should be sent to her, and then ABHR will present the final District Information Kit for approval at the February meeting.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA") MATTERS

Director Murr updated the Board on NHCRWA matters.

LAKE FOREST PLANT ADVISORY COUNCIL MATTERS

Director Skarboszewski reported on LFPAC matters.

WEBSITE AND COMMUNICATION MATTERS

The Board discussed website and communication matters.

2024 DIRECTORS ELECTION

Ms. Simonds discussed procedures related to the 2024 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period.

Ms. Simonds reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election.

Ms. Simonds stated that the District may contract with Harris County (the "County") to conduct the District's 2024 Directors Election.

Ms. Simonds reviewed an Order Calling Directors Election.

Ms. Simonds discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County.

Following review and discussion, Director Skarboszewski moved to: (1) adopt a Resolution Designating an Agent of the Secretary of the Board During the 2024 Directors Election Period appointing Faye Simonds as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the notice as required; (3) contract with the County to administer the District's election; (4) adopt the Order Calling Directors Election and direct that the Order be filed appropriately and retained in the District's official records; and (5) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required, and to direct that the Notice be filed appropriately and retained in the District's official records. Director Bernardini seconded the motion, which passed unanimously.

There being no further business to come before the Board, the meeting was adjourned.

/s/ Michael Murr
Secretary, Board of Directors



(SEAL)

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