

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

February 14, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 18 of Harris County, Texas (the "District"), met in regular session, open to the public, on the 14th day of February, 2022, at the offices of AEI Engineering, LLC, 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, thus constituting a quorum.

Also present at the meeting were: Lieutenant Wayne Curry of the Harris County Precinct 4 Constable's Office; Wendy Austin of District Data Services, Inc. ("DDS"); Yvonne Luevano of Wheeler & Associates, Inc. ("Wheeler"); Tom Matkin and Janice Noeldner of AEI Engineering, a Baxter Woodman Company ("AEI"); TR Riley of Eagle Water Management, Inc. ("Eagle"); and Adisa Harrington and Faye Simonds of Allen Boone Humphries Robinson LLP ("ABHR").

Due to the COVID-19 virus epidemic emergency and the high threat level warnings issued by various governments and agencies, the District established a telephone option for members of the public to listen to the meeting and to address the Board.

Also present via teleconference was Spencer Day of Masterson Advisors LLC.

PUBLIC COMMENT

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the January 10, 2022, regular meeting. After review and discussion, Director Murr moved to approve the minutes of the January 10, 2022, regular meeting, as presented. Director Swann seconded the motion, which passed unanimously.

## SECURITY MATTERS, INCLUDING RENEWAL OF INTERLOCAL AGREEMENT WITH HARRIS COUNTY FOR LAW ENFORCEMENT SERVICES

Lieutenant Curry reviewed the security report and discussed security matters in the District. A copy of the security report is attached.

Ms. Harrington reviewed a proposed Interlocal Agreement for Law Enforcement Services with Harris County. Following review and discussion, Director Bernardini moved to approve the Interlocal Agreement for Law Enforcement Services with Harris County and direct that the Agreement be filed appropriately and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

## FINANCIAL AND BOOKKEEPING MATTERS

The Board 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.

The Board discussed the Association of Water Board Directors ("AWBD") winter conference. Ms. Austin noted the director expenses were submitted in accordance with the District's Travel Reimbursement Guidelines.

Following review and discussion, Director Skarboszewski moved to: (1) approve the bookkeeper's report and payment of the bills; and (2) approve reimbursement of eligible expenses for the winter conference and authorize all interested Directors to attend the AWBD summer conference. Director Swann seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Luevano reviewed the tax assessor/collector's report and the delinquent tax roll, copies of which are attached. She reported that 85.59% of the 2021 taxes had been collected as of January 31, 2022.

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

Mr. Day presented and reviewed a 2022 Exemption Analysis, a copy of which is attached. He stated that the District currently rejects a general homestead exemption and grants a \$45,000 exemption for persons over 65 years of age and a \$100,000 exemption for disabled persons. He then reviewed the tax revenue impacts of the current exemptions and other exemption options.

The Board reviewed and considered adopting a Resolution Concerning Exemptions from Taxation reflecting that the Board of Directors rejects a general residential homestead exemption, and grants a \$45,000 exemption for persons over 65 years of age and a \$100,000 exemption for disabled persons.

Following review and discussion, Director Murr moved to adopt the Resolution Concerning Exemptions from Taxation and direct that the Resolution be filed appropriately and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

### ENGINEER'S 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 stated there were no changes.

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

Ms. Noeldner stated that the operational permit applications have been submitted to Harris County and are being reviewed.

Ms. Noeldner updated the Board on the sanitary sewer system cleaning and televising program, area II. She stated two bids were received for the sanitary sewer system cleaning and televising program, area II and reported that Eagle will solicit a third bid from Source Point Solutions. She recommended the Board award the contract to the lowest bidder in an amount not to exceed \$50,580.00. The Board concurred that, in its judgment CSI Consolidated LLC dba AIMS Companies and Source Point Solutions, were responsible bidders and the lowest bidder would be most advantageous to the District and would result in the best and most economical completion of the project.

Ms. Noeldner requested the Board authorize AEI to commence the water plant evaluation.

Ms. Noeldner stated that AEI has not received an update from Hamilton Elementary School regarding the plans for an addition.

Ms. Noeldner stated that record drawings were provided to Binkley and Barfield, Inc., for a CenterPoint telecommunications project. She added that AEI has not received an update.

Ms. Noeldner stated that there is a proposed development of approximately 80 acres south of the intersection of Grant Road and Old Kluge Road, near Hamilton Elementary School. She stated that the District's water line and sanitary sewer maps were provided to the developer. She added that AEI has not received an update.

Ms. Noeldner reviewed a 2021 Engineering Summary, a copy of which is attached to the engineering report. The Board requested Director Bernardini review the 2021 Engineering Summary to determine which information should be posted on the District's website.

Following review and discussion, and based on the engineer's recommendation, Director Skarboszewski moved to: (1) approve the engineer's report; (2) award the contract for the sanitary sewer system cleaning and televising program, area II to the lowest bidder in an amount not to exceed of \$50,580.00, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; and (3) authorize AEI to commence the water plant evaluation. Director Murr seconded the motion, which passed unanimously.

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

Mr. Riley 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 92.85%.

Mr. Riley requested the Board authorize Eagle to write off six accounts as uncollectible.

The Board discussed lead and copper testing in the District.

The Board conducted a hearing on the termination of utility service. Mr. Riley 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.

Following review and discussion, Director Skarboszewski moved to: (1) accept the operator's report; (2) authorize Eagle to write off six delinquent accounts totaling \$894.24 as uncollectible; and (3) 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

Ms. Harrington reviewed the updated District Information Kit. Following review and discussion, Director Bernardini moved to approve the Information Kit and direct that it be posted on the District's website, filed appropriately, and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

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

Director Murr reported on NHCRWA matters.

LAKE FOREST PLANT ADVISORY COUNCIL MATTERS

Director Skarboszewski reported on the most recent LFPAC meeting

WEBSITE MATTERS

The Board reviewed the monthly activity report, a copy of which is attached.

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

/s/ Vally Swann \_\_\_\_\_  
Assistant Secretary, Board of Directors



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