

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

August 8, 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 8th day of August, 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, except Director Swann, thus constituting a quorum.

Also present at the meeting were: Robin Humphrey and Richard Fletcher of HdL Companies; 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"); Janice Noeldner and Tom Matkin 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").

PUBLIC COMMENT

There were no public comments.

MINUTES

The Board considered approving the minutes of the July 11, 2022, regular meeting. After review and discussion, Director Skarboszewski moved to approve the minutes as presented. Director Murr 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.

The Board discussed the Interlocal Agreement for Law Enforcement Services with Harris County. Following discussion, Director Bernardini moved to approve the Interlocal Agreement for Law Enforcement Services with Harris County, subject to

finalization, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Skarboszewski 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.

Ms. Austin reported that the District has received the outstanding sales tax funds from the City of Houston.

Director Bernardini discussed the Revised Procurement Proposal for Electric Power Supply and Notice of Intent to Begin a Competitive Procurement Process by Public Power Pool ("P3"), a copy of which is attached.

Following review and discussion, Director Bernardini moved to (1) approve the bookkeeper's report and payment of the bills; and (2) participate in the upcoming P3 procurement process. Director Kennedy seconded the motion, which passed unanimously.

#### DISCUSS SALES TAX MONITORING SERVICE AGREEMENT AND AUTHORIZE APPROPRIATE ACTION

Mr. Fletcher introduced himself to the Board and reviewed the services of HdL Companies and a proposal for sales tax monitoring in the District. The Board deferred action on this agenda item.

#### LAKE FOREST PLANT ADVISORY COUNCIL ("LFPAC") MATTERS

Director Skarboszewski reported on the most recent LFPAC meeting.

#### ENGINEERING REPORT

The Board discussed the meeting with North Harris County Regional Water Authority ("NHCRWA") regarding the construction of a NHCRWA water line to Oak Bluff water plant. Director Skarboszewski stated that NHCRWA has indicated that it would contribute 30% to the cost of the water line. Discussion ensued regarding NHCRWA contributing 50%.

Director Skarboszewski, Ms. Humphrey, and Mr. Fletcher left the meeting.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Luevano reviewed the tax assessor/collector's report and the delinquent tax roll, copies of which are attached. She reported that 98.36% of the 2021 taxes had been collected as of July 31, 2022.

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

## DISCUSS 2022 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board deferred action on this agenda item.

## APPROVE DEPOSITORY PLEDGE AGREEMENT, SERVICE AGREEMENT AND RELATED DOCUMENTS

The Board deferred action on this agenda item.

## ENGINEERING REPORT (CONTINUED)

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

Mr. Matkin reviewed a summary of current and anticipated future capital projects, a copy of which is attached to the engineer's report. He stated that there are no changes to the summary.

Mr. Matkin gave an update on Lake Forest Plant Advisory Council activities and reviewed the Plant engineer's report, a copy of which is attached to the engineer's report.

Mr. Matkin gave an update on the ongoing discussion of the District water system, as reflected in the engineering report. He stated that the District has been operating Malcomson Road water plant as the lead water plant. He then recommended that the valve on Hillbrook Drive be closed. Following discussion, the Board requested Eagle locate and close the valve on Hillbrook Drive for a test period.

Mr. Matkin updated the Board on the possible metered interconnect with Malcomson Road Utility District, as reflected in the engineering report.

Mr. Matkin then reviewed a proposal for a scaled back water distribution system modelling in the amount of \$10,000. Following discussion, Mr. Matkin stated that AEI will arrange a demonstration of a water distribution system model at the next regular meeting.

Ms. Noeldner updated the Board on the sanitary sewer system cleaning and televising program, area II, as reflected in the engineering report. She stated that approximately 339 feet of pipe was not rehabilitated in a previous project. She reported that there are no deficiencies in the 339 feet of pipe and recommends it is included in the next rehabilitation of lines when a contractor mobilized.

Ms. Noeldner stated that the amended Emergency Preparedness Plan was submitted to Texas Commission on Environmental Quality on July 1, 2022.

Ms. Noeldner stated that construction of the Hamilton Elementary School addition is anticipated to finish in August 2023.

Ms. Noeldner stated that record drawings were provided to Binkley and Barfield, Inc. for a CenterPoint telecommunications project. She added construction is underway and AEI is awaiting a schedule.

Following review and discussion, and based on the engineer's recommendation, Director Murr moved to approve the engineer's report. Director Bernardini seconded the motion, which passed unanimously.

#### EMERGENCY RESPONSE PLANS

There was no discussion on this agenda item.

#### 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 94.01%.

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.

Mr. Riley reviewed NHCRWA fees and recommended no changes to the District's Rate Order. The Board concurred to review NHCRWA fees and the District's Rate Order in October, 2022.

Director Bernardini stated that a request was received from a resident to change operator. The Board requested that additional information be obtained from the resident regarding the reason for the request.

Ms. Harrington reviewed the District's current Drought Contingency Plan ("DCP") with the Board. The Board concurred that no changes are needed to the DCP at this time.

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.

#### NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

Director Murr reported on NHCRWA matters.

#### WEBSITE MATTERS

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

#### CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY

The Board did not convene in executive session.

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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