

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

October 9, 2023

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 9<sup>th</sup> day of October, 2023, 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 Murr, thus constituting a quorum.

Also present at the meeting were: Chris Herrin and Stephanie Hulbert of Infrastructure Construction Services; Lieutenant Wayne Curry of the Harris County Precinct 4 Constable's Office; Wendy Austin of District Data Services, Inc.; Isabel Mata of Wheeler & Associates, Inc.; Tom Matkin and Janice Noeldner of Baxter Woodman, Inc. ("Baxter Woodman"); TR Riley of Eagle Water Management, Inc.; and Adisa Harrington and Faye Simonds of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

Mr. Herrin introduced himself and Ms. Hulbert to the Board.

MINUTES

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

SECURITY MATTERS

Lieutenant Curry then 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. Harrington and Ms. Austin updated the Board regarding their recent communications with the City of Houston regarding the missing sales tax payment from April 2022.

Following review and discussion, Director Skarboszewski moved to approve the bookkeeper's report and payment of the bills. Director Swann 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. Director Swann requested that the delinquent tax report be updated to show changes from the previous month.

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

Ms. Mata stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2023 total tax rate of \$0.32177, all allocated to operations and maintenance.

Ms. Harrington opened the public hearing. There being no comments from the public, Ms. Harrington closed the public hearing.

Ms. Harrington presented an Order Levying Taxes reflecting the proposed 2023 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County.

After review and discussion, Director Skarboszewski moved to: (1) adopt the Order Levying Taxes reflecting a total 2023 tax rate of \$0.32177 per \$100 of assessed valuation, all allocated to operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Bernardini seconded the motion, which passed by unanimous vote.

ENGINEERING REPORT

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.

Mr. Matkin 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.

Mr. Matkin gave an update on the ongoing discussion of the District's water system, as reflected in the engineer's report. Discussion ensued regarding the Interlocal Cost Sharing Agreement with North Harris County Regional Water Authority ("NHCRWA") for the construction of the surface water line to Oak Bluff water plant. The Board concurred to appoint Director Bernardini as the contact between meetings for the negotiation of the Interlocal Cost Sharing Agreement.

Ms. Noeldner stated that Baxter Woodman will request authorization to begin design of the Phase IV sanitary sewer cleaning and televising next month.

Ms. Noeldner updated the Board on the Malcomson Road water plant generator replacement, fence replacement, and site improvement project. She reviewed the schedule for the project and requested authorization to commence design.

Ms. Noeldner updated the Board on the water plant coating improvements, as reflected in the engineer's report. She stated that Baxter Woodman received references for the contractor's current work.

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

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

Ms. Noeldner stated that the District is required to conduct a lead service line inventory by October 16, 2024.

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

Ms. Noeldner stated that Baxter Woodman received a request to release the District's water and sewer maps to the owner's engineer for a potential development at 12503 Kluge Road.

Mr. Riley stated that the resident at 11823 Park Creek Drive has not erected a fence that would require a Consent to Encroach.

Following review and discussion, and based on the engineer's recommendation, Director Skarboszewski moved to: (1) approve the engineer's report; (2) authorize Baxter Woodman to commence design of the Malcomson Road water plant generator replacement, fence replacement, and site improvement project; and (3) authorize Baxter Woodman to release an excerpt of the District's water and sewer maps for the area that relates to the potential development at 12503 Kluge Road to the owner's engineer. Director Bernardini seconded the motion, which passed unanimously.

UPDATE ON EMERGENCY WATER INTERCONNECT WITH FAULKEY GULLY MUNICIPAL UTILITY DISTRICT ("FAULKEY GULLY") AND TAKE APPROPRIATE ACTION

Ms. Noeldner stated that Faulkey Gully is testing its lines to confirm whether there is a second, unmetered emergency water interconnect.

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

Mr. Riley stated that NHCRWA has reverted to Drought Contingency Stage 1. Discussion ensued regarding updating District signs for drought contingency, as well as the general District signs posted at entrances to the District.

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 98.61%.

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.

The Board discussed the District's well levels and requested that the District's wells be added to the District's capital improvement plan.

Following review and discussion, Director Kennedy 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 Skarboszewski seconded the motion, which passed unanimously.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

Director Skarboszewski 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.

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

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Secretary, Board of Directors



(SEAL)

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