

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

December 13, 2021

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 13th day of December, 2021, 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 Bernardini, thus constituting a quorum.

Also present at the meeting were: Captain Charles Hoover and 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.

There were no members of the public using the telephone option.

PUBLIC COMMENT

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the November 8, 2021, regular meeting, and November 16, 2021, special meeting. After review and discussion, Director Swann moved to approve the minutes of the November 8, 2021, regular

meeting, and November 16, 2021, special meeting, as presented. Director Kennedy seconded the motion, which passed unanimously.

### SECURITY MATTERS

Lieutenant Curry introduced Captain Hoover. He then reviewed the security report and discussed security matters in the District. A copy of the security report is attached.

### AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END DECEMBER 31, 2021

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson") to conduct the District's annual audit for fiscal year end December 31, 2021. Ms. Harrington informed the Board that McCall Gibson is estimating a \$11,250 to \$12,250 fee for preparing the audit for the fiscal year ending December 31, 2021. Following review and discussion, Director Skarboszewski moved to authorize McCall Gibson to conduct the annual audit for fiscal year end December 31, 2021. Director Swann seconded the motion, which passed by unanimous vote.

### 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 next reviewed the budget for fiscal year end December 31, 2022, including the budget for the Lake Forest Plant Advisory Council ("LFPAC"). A copy of the budget is attached to the bookkeeper's report. Mr. Riley requested the line item on the District's budget for Hidden Falls facilities be increased from \$6,000 to \$15,000.

The Board then discussed the Association of Water Board Directors ("AWBD") winter conference and reviewed the District's Travel Reimbursement Guidelines.

Following review and discussion, Director Murr moved to: (1) approve the bookkeeper's report and payment of the bills; (2) adopt the District's budget for fiscal year end December 31, 2022, revised as discussed; (3) approve the budget for LFPAC; and (4) authorize three per diems, two nights of hotel accommodations, and reasonable meals for Directors attending the AWBD winter conference, all to be submitted in accordance with the District's Travel Reimbursement Guidelines. 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 7.78% of the 2021 taxes had been collected as of November 30, 2021.

Ms. Luevano updated the Board on Allegiance Bank and Positive Pay.

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

## ENGINEER'S REPORT

Mr. Matkin and 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 LFPAC activities and reviewed the Plant engineer's report, a copy of which is attached to the engineer's report.

Ms. Noeldner stated that AEI will submit the operational permit applications to Harris County this week.

Ms. Harrington reported on certain certification obligations that the District must meet under the America's Water Infrastructure Act of 2018 (the "Act"). She stated that, pursuant to the Act, the District must certify to the Environmental Protection Agency that its community water system has completed an Emergency Response Plan (the "Plan"). Ms. Noeldner discussed the District's Plan.

Ms. Noeldner stated that AEI received plans for an addition to Hamilton Elementary School. She added that AEI has not received an update since issuing a letter of no objection.

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.

Mr. Matkin presented and reviewed an Amendment to Agreement for Engineering Services.

Following review and discussion, and based on the engineer's recommendation, Director Kennedy moved to: (1) approve the engineer's report; (2) approve the Emergency Response Plan, authorize filing of the certification of the Plan with the Environmental Protection Agency, and direct (i) the Plan to be filed, confidentially, in the District's official records, and (ii) the confirmation of certification to be filed in the District's official records; and (3) approve the Amendment to Agreement for Engineering Services. Director Swann 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 93.43%.

Mr. Riley presented two proposals for slip resistant material for the water plant roof. Following discussion, the Board requested Eagle obtain further information regarding the slip-resistant material to be used.

Mr. Riley then presented a proposal from NTS Pumps, Motors and Controls to convert Lift Station No. 2 from single phase pumps to three phase pumps in the amount of \$14,550.00. Following discussion, the Board requested that Eagle include a transformer option in the proposal for Board consideration at the next regular meeting.

Mr. Riley updated the Board on the temporary suspension of automatic bank draft for payment of customer utility bills during the transition from Compass BBVA to Central Bank. He stated automatic bank draft payment should be available in the next two weeks.

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 Murr moved to accept the operator's report and authorize Eagle to notify the residents on the termination list of their nonpayment, but not to disconnect residents' utility service until January 2021, after the holidays. 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. Director Bernardini updated the Board on website matters.

#### ADOPT RESOLUTION ESTABLISHING ADDRESSES AND METHODS FOR TEXAS PUBLIC INFORMATION ACT REQUESTS

Ms. Harrington reviewed with the Board a memorandum regarding designating addresses and methods for receipt of requests for public information under the Texas Public Information Act ("TPIA Requests"), a copy of which is attached. The Board considered designating a mailing address and an email address and approving other methods for receipt of TPIA Requests, pursuant to Section 552.234 of the Texas Government Code. After review and discussion, Director Murr moved to: (1) adopt a Resolution Establishing Addresses and Methods for Texas Public Information Act Requests ("Resolution") to (a) designate the address of the District's official office as the mailing address and har018@txdistricts.info as the email address for receipt of TPIA Requests to the District, as the method for submittal of TPIA Requests to the District, and (b) direct that the designated addresses and methods be printed on the sign displayed by the District under Section 552.205, Texas Government Code; and (2) direct the Resolution to be filed appropriately and retained in the District's official records. Director Kennedy seconded the motion, which passed unanimously.

#### REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Harrington reported ABHR has filed the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

Ms. Harrington discussed eminent domain authority and *Hidalgo County Water Improvement District No. 3 v. Hidalgo County Water Irrigation District No. 1*.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES, OR A SECURITY AUDIT, INCLUDING EMERGENCY RESPONSE PLAN

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



LIST OF ATTACHMENTS TO MINUTES

|   | <u>Page</u> |
|---|-------------|
| Security report .....   | 2           |
| Bookkeeper's report .....                                     | 2           |
| Tax assessor/collector's report and delinquent tax roll ..... | 3           |
| Engineer's report .....                                       | 3           |
| Operator's report .....                                       | 4           |
| Monthly activity report .....                                 | 5           |