

**MINUTES OF REGULAR MEETING  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
SEPTEMBER 9, 2021**

**STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §**

The Board of Directors of Harris County Municipal Utility District No. 23 of Harris County, Texas, met in regular session, open to the public, beginning at 6:30 P.M. at the regular meeting place inside the District on the 9th day of September, 2021, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Jim Haney	President
Christy Shepard	Vice President
William E. Ross	Secretary
Oscar Dominguez	Treasurer
Jeff Blackwell	Assistant Secretary/Treasurer

and all of said directors were present thus constituting a quorum. The meeting was convened as a quorum was established.

Persons also present included:

John Sherrington of Sherrington-Humble, LLC;  
Essa Ibrahim of Sheriff's Department;  
Jennifer Landreville of ETI Bookkeeping and Equi-Tax Inc.;  
Josh Rambeau of McCall Gibson;  
Jerry Yandel, President of WTW, HOA;  
Doug Jeffrey of TNG Utility Corp;  
Daniel Hayden, Engineer for District 220;  
Ronaldo Ponce of JRP Tree & Demolition; and  
Michael A. Cole of Michael A. Cole, P.C.

**DISTRICT CUSTOMER COMMENTS**

Mr. Yandel, President of the Woodland Trails West HOA, explained and expressed his concerns for the responses he had from Earth Care with regard to its work in the District. He noted that there had been a 30% increase in its rates and that it had not been responsive in fulfilling its work assignments as it had in the past. Director Haney said he shared some of those concerns and appreciates the HOA appearance and explanation. Director Haney noted that other providers are however even more expensive from what he has seen. He and the Board explained that the District had recently agreed to have some work done by Earth Care and will address these and other issues at a future meeting when all the parties can be present. He also noted that the District would consider taking over responsibility

for flowers at the entrance when these other issue have been addressed. He invited the HOA and its membership to attend the National Night Out the first Tuesday in October and Jerry said he would be happy to attend.

## **SECURITY REPORT**

The Sheriff's Deputy made his report to the Board. He noted that there had been a couple of burglaries of vehicles in the last month, and that apparently some criminal activity avoided detection by cameras by staying just outside the entrance of the District. The Deputy said that he would come to the National Night Out.

## **AUDIT**

Mr. Rambeau said that a clean audit had been produced and that the District had a very healthy fund balance of 41 months of reserves at \$5,099,123 and that the Capital Fund Balance of \$310,117 was actually only \$202,000 now. The Engineer noted that while he had intended to have this balance reduced to zero by now for arbitrage purposes, some unexpected complications were complicating matters. He said he hoped to have a resolution before the November 15 end of the Temporary Period. At the conclusion of the review **Director Shepard moved the approval of the Audit for the end of the past Fiscal Year, which motion was seconded by Director Blackwell and carried by unanimous vote.**

## **LANDSCAPE PROPOSALS**

A proposal for trimming areas back along Haney Lane and taking out three trees had been received. It was explained that the trim back would be from ground to the sky 8-10 feet back from the road along Haney Road and 4-5 feet in some areas. The proposal from JRP Tree & Demolition was for \$27,500 and was made by Ronaldo Ponce. He also stated that maintenance could be done once every 6 months so that it would not all grow back and that he would submit a separate proposal for this. He did make clear that trimming to the left side would be added at no extra expense. At the conclusion of the discussion **Director Dominguez moved the approval of the proposal by JRP, which motion was seconded by Director Shepard and carried by unanimous vote.**

## **MINUTES**

**Director Dominguez moved the approval of the August 12, 2021 minutes, which motion was seconded by Director Blackwell and carried by unanimous vote.**

## **CONSENT AGENDA**

## **BOOKKEEPER, INVESTMENT OFFICER AND TAX-ASSESSOR COLLECTOR REPORTS**

It was explained by Ms. Landreville that Trina had taken her dream job with the IRS and that she did not know exactly who would be coming to MUD 23 meetings for Tax Assessor-Collector

matters, but that for the immediate future it would be Debbie and/or herself. She then presented both reports. She suggested the purchase of \$245,000 6-month CDs yielding 0.5% interest from Frontier Bank. She also explained that \$202,786.19 was owing from District 220, and that the new name of the garbage contractor was Green For Life or GFL.

### **BUDGET AMENDMENT FOR FYE MAY 31, 2021**

Ms. Landreville submitted an amended budget for the fiscal year which was **approved on the motion of Director Dominguez, the second of Director Blackwell and the unanimous vote of the Board.**

### **TAX ASSESSOR COLLECTOR REPORT**

Collections were reported to be 98.3% complete. **Write-offs of \$1,135.89 for 2016 were approved on the motion and second of Directors Shepard and Ross, respectively, and unanimous vote of the Board.**

### **EFFECTIVE TAX RATE CALCULATION**

It was suggested that publication of an effective tax rate of \$0.4303 be adopted as the effective tax rate which would yield modestly more income of \$28,000. It was explained that while the District could actually levy less than that if the rate was published as discussed, but it could not be more than that unless the process were to start all over. Director Haney expressed his view that the District should reduce the rate at the time of the levy in order to give some relief to homeowners. It was noted that Mr. Blich would be in attendance of the Board's next meeting to discuss the actual levy.

### **WEBSITE REQUIREMENTS**

It was explained that SB2 and HB 1154 made additional requirements of the District with regard to information that must be made on its website. It was explained that there was a lack of total clarity on who is responsible for what in terms of information being supplied by the Tax Assessor Collector's office and the Webmaster. Clearly the Equi-Tax representative is being required to do certain tax calculations which need to be on the website for the District or on it via a link. The Attorney said his intention is to visit with the webmaster and see if the TAC and Webmaster functions can be combined in a way that is not duplicative or unnecessarily expensive, but he is having a hard time getting hold of the webmaster, Russell Lambert. Ms. Landreville noted that the link is "Infinity" and that Alan Dejeon might be contacted about it. The Attorney suggested that when Mr. Lambert and Mr. Dejeon can be contacted and given an opportunity to address the issues, then the Board can determine a path forward. It was also noted that the extra cost for these calculations by the Tax Assessor-Collector and then posting it to the District's website is about \$300 a month. The Attorney made clear that the responsibilities of whoever is going to be responsible for the District's website and the posting of tax calculations, etc., needs to be clearer than is apparent at the moment. The Board concluded that the matter should be revisited when the consultants involved have an opportunity to address the issues being raised and all of the Directors can be present.

## ENGINEER REPORT

Mr. Sherrington presented his report. He reported that the permit renewal had been submitted to the TCEQ; that C3 had been awarded the contract in the amount of \$232,000 last month, which had been fully approved on the motion and second of Directors Shepard and Dominguez, respectively and the unanimous vote of the Board (again); and that the blowers at the STP were tripping out and that the source of the problem was not the contractor but rather the sensitivity of the power supply. The Engineer said that it is a CenterPoint problem and that a proposal from Lone Star for \$12,000 and one year service would seem to fix the problem, though there might be some additional expense. Additionally, **Director Dominguez moved that the problem be fixed and monitored for the next 2 years as proposed, which motion was seconded by Director Ross and carried unanimously.** The Engineer suggested that Viking proceed with its proposed work once Water Plant No. 1 goes offline and that money be paid into escrow for the Contractor on the two water plants, so that clearly the District will have functionally spent the money and exhausted funds during the Temporary Period. The Board agreed with this approach. On another matter it was noted that April of 2022 should be a substantial completion date for the Fire Station and that the Eagle has flown or left the District according to Director Blackwell.

## UTILITY OPERATOR

Doug Jeffrey presented his report. He reported that there had been some coding problems on some accounts but that it would get cleared up. On other matters he said that the water accountability ratio was 99.94% for some purposes and 96.67% for others; that there were \$113,639 in receivables; there were no excursions from the Plant; that three accounts remained terminated out of 8 which had been shut-off; that names for accounts were no longer being used; and that the new water meter had been installed at the new fire station. Director Ross suggested that the District should operate its diesel generator under a load because he did not want a failure to occur during a weather episode. The operator agreed and said he would run the generator under a load for 24 hours. It was also acknowledged that the use of “wipes” continued to present a problem for the operation of the sewage treatment plant.

## ATTORNEY REPORT

The Attorney’s report was presented to the Board. He acknowledged Director Ross’s suggestion for higher rental and deposit rates; and he asked about compliance with the groundwater reduction limits and was told by the District’s Engineer that he thinks the District is in good shape for meeting the bench marks.

## BUILDING COORDINATOR REPORT

The Board discussed rental rates for out of District users and agreed that \$500 should be the deposit rate for out of District users rather than \$100. **A motion to this effect was made by Director Ross and seconded by Director Blackwell and carried unanimously.** It was acknowledged that there had already been three rentals for the month with one more to come. Director Blackwell complimented Director Ross on the deep cleaning of everything in the building which Director Ross had done.

**SERVICE TERMINATIONS**

There having been notice given to accounts of their delinquency and opportunity to show cause why their water service should not be terminated for failure to pay, **Director Shepard moved the termination of services to those accounts given such notice and opportunity to show cause or pay their bill and failing to do so. The motion was seconded by Director Blackwell and carried unanimously.**

**CONSENT AGENDA**

Approval of the consent agenda was had on the **motion of Director Shepard, the second of Director Dominguez and the unanimous vote of the Board.**

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

(SEAL)

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Secretary, Board of Directors

**COMMITMENTS FOR ACTION  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
MEETING OF SEPTEMBER 9, 2021**

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**BOOKKEEPER**

None.

**ATTORNEY**

*Emboss the document signed by Director Haney with the District's seal and return by mail to the him to get additional signatures; place items on next agenda concerning bids for STP gate and bids of JRP Tree & Demolition and Houston Tree Service for trimming trees along Haney Lane and cutting underbrush; and prepare minutes.*

**ENGINEER**

*Follow-up on completion of punch list to contractor and execution of change order; pursue preparing fine screen replacement for bidding; follow-up on pursuing contracting and construction of at plants; and investigate what entity is serving warehouses and other facilities on or near Bondale; provide Directors and consultants with a more legible print out of Capital Improvement Plan and Schedule;*

**BUILDING COORDINATOR**

Change the rental deposit for out of District renters.

**OPERATOR**

*Get bids for new gate at entrance to STP and perhaps solar driven gate on Haney Lane.*

**TAX ASSESSOR COLLECTOR**

*Provide a statement of value of the Joga property and improvements and Warehouses off of Warren Road.*