

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23
JUNE 8, 2023**

**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 a regular meeting place inside the District on the 8th day of June, 2023, and the roll was called of the duly constituted officers and members of the Board, to-wit:

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

and all of said directors were present, thus constituting a quorum.

Persons also present included:

Sean Humble of Sherrington-Humble, LLC;
Michael A. Cole of Michael A. Cole P.C.;

Arriving later in the meeting at different times were Robert D. Atkinson, Jr., P.E. representing District 220; Claudine Pacioni of TNG Utility Corp; and Pete Pederson, Director of District 220.

SECURITY REPORT

None.

MINUTES

Director Shepard submitted changes to the May 11, 2023 meeting minutes. **Director Dominguez moved the approval of such minutes with changes. The motion was seconded by Director Blackwell and carried by unanimous vote.**

CONSENT AGENDA

BOOKKEEPER, INVESTMENT OFFICER, AND TAX-ASSESSOR COLLECTOR REPORTS

Debbie Bessire was not present and it was understood that checks would be signed and sent out in typical fashion and such actions confirmed at the next regular meeting. The weather was responsible for the low attendance and reason for some consultants not being present.

ENGINEER'S REPORT

Sean Humble submitted his written report to the Board. He reported that he is still waiting for the official letter from the City of Houston regarding the District's requests to increase its take or pay amount; he is trying to track down the owner of the gas station and washeteria at 8520 Warren Road for more information about the request for water and sanitary sewer services; an invoice has been received from Wright Solutions, the contractor for the rehabilitation of the 24" sanitary sewer line and manhole, and which just needs the Board's approval and payment; and CenterPoint should be proceeding at some point with the replacement of the 269 halogen streetlights with LED streetlights. Some discussion was had concerning the replacement of the streetlights. In addition to matters covered at the last meeting and followed up upon, it was reported that the Engineer is preparing an official letter and exhibits to send to the Watershed Coordinator requesting official permission to route the proposed surface water line from the City within the HCFCD right of way; that the hydropneumatic tank has a leaking nozzle and he is working on getting an estimate from a fabricator for its repair; and that the District has repeatedly sought a response from the City on the District's request for which it has a right to demand a 10% or less increase in its take or pay amount of water but has not received any response which constitutes an ongoing breach of its agreement with the District. Finally, the Engineer updated the Board on the status of the White Oak Bayou Federal Project, the complete explanation of which is attached in the Engineer's report. The report updates all of the other projects in the District. It was noted that the District has tried to clear up or resolve the fluoride programs termination by the District, which according to the State constitutes a violation. It was made clear that the Plumbing Company did nothing with the PILOT agreement prepared by the Attorney nor did it contact the attorney to speak about the agreement.

UTILITY OPERATOR

Claudine Pacioni submitted her report, reporting water production of 10.1 million gallons; 8 terminations still off; and a proposal of 8 terminations. The subject of conversation ensued on how long a customer could have a delinquency before a termination and was told 6 months and Directors and the Attorney said that the District had never knowingly allowed that amount of time for a termination and that in fact the Attorney remembers the Board cutting it down to less than 60 days at one point and said that the longer period mentioned by Ms. Pacioni was never authorized by the Board. **Director Dominguez then moved that the rate order be changed to provide that the total period of time involved before a delinquent bill could result in a termination be established as 60 days, which motion was seconded by Director Ross and carried unanimously.** Also to be included in the amendment is the garbage rate increasing by approximately \$2.50 or

\$30.00 a month. The Rate Order as amended with regard to the maximum delinquency period and the rate for sanitary sewer service of \$30 is attached to the original minutes. It was also determined that the generator needs to be placed under load and run.

ATTORNEY REPORT

The Attorney's written report was emailed prior to the meeting. He asked that the **arbitrage report be approved formally by the Board. A motion to this effect was made by Director Shepard, seconded by Director Ross and carried unanimously.** He did mention that the District is entering a period with uncertainty and a lack of clarity through which the District would pass and on the other side probably find conclusions and resolutions that would serve it. For example he said it is unclear whether the City of Houston could continue its almost dictatorial ways with water districts when Republicans like Paul Bettencourt are willing to make the City back away from dogmatic requirements of construction standards that are hard to justify. In any event as Director Blackwell pointed out that HB 2071 eliminated the subsidized housing rentals taxation exemption which decimated water districts before the repeal.

BUILDING COORDINATOR REPORT

Director Ross submitted his Building Coordinator report. He reported that the District's building is in the process of being painted with acrylic paint. He also noted that half of the expense of repairs and clean up of the building had been paid by the District's renters. He noted that the building is being painted for a total of \$5,250, and that a check is needed to EM Tree Service for \$13,500. **The Board authorized payments to JPM, and \$13,500 to EM Tree Service.** A question was raised as to whether a new photograph of the District's building is necessary and the Board concluded that determination could be made at the end of the year when the picture would be taken.

CONSENT AGENDA

The Consent Agenda was approved on the motion and second of Directors Doninguez and Shepard, respectively, and the unanimous vote of the Board.

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

(SEAL)

Secretary, Board of Directors

**COMMITMENTS FOR ACTION
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23
MEETING OF JUNE 8, 2023**

BOOKKEEPER. No new commitments.

OPERATOR place generator under load and run.

ATTORNEY amend District's rate order.

ENGINEER work on details of new agreement with City of Houston.

BUILDING COORDINATOR get painting of District building done.

TAX ASSESSOR COLLECTOR no commitments