

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23
FEBRUARY 8, 2024**

**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 February, 2024, and the roll was called of the duly constituted officers and members of the Board, to-wit:

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

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

Persons also present included:

Officer Abarca;
Julian Gamboa and her daughter, residents of the District;
Jeanelle Walker and Wally Byers of Courtyard Glen;
Sean Humble of Sherrington-Humble, LLC;
Debbie Bessire of ETI Bookkeeping Services;
Claudine Pacioni of TNG Utility Corporation; and
Michael A. Cole and Cindy Nichols of Michael A. Cole P.C.

COMMUNITY COMMENTS

Julian Gamboa and her daughter presented themselves to the Board. Ms. Gamboa’s daughter and Officer Abarca translated for Ms. Gamboa, and explained that her water bill usually is around \$50 but her most recent bill was around \$400. She called the utility operator’s office and was told that it is due to her water meter not working properly and that she is being back billed charges for water and must pay the full amount due to avoid water service termination. Claudine Pacioni stated that this is not an appropriate response, and she will look into the matter and report to the Board at its next meeting and will have her office staff contact Ms. Gamboa with an update. Discussion was had at the conclusion of which **the Board directed that Ms. Gamboa pay her regular monthly bill; water service not be terminated; and the utility operator investigate, provide an update to Ms. Gamboa, and report back to the Board at its next meeting.** Ms. Gamboa agreed, thanked the Board and she and her daughter excused themselves from the meeting.

SECURITY REPORT

Officer Abarca presented the January, 2024 security services report to the Board. Matters discussed included recent gun shots fired, four-wheelers being ridden in the streets and along the bayou and park, a driver being arrested for DWI after side swiping a vehicle and multiple mailboxes, and other calls investigated by Officers. Officer Abarca excused himself from the meeting.

MINUTES

Director Shepard then moved the approval of the January 11, 2024 meeting minutes with a correction to the spelling of Courtyard Glen, which motion was seconded by Director Ross and carried unanimously.

CONSENT AGENDA

BOOKKEEPER, INVESTMENT OFFICER, AND TAX-ASSESSOR COLLECTOR REPORTS

Debbie Bessire presented the bookkeeper's report and bills for payment, a copy of which is filed in the District's electronic records. She provided current CD rates, noting the TexPool rate is currently 5.34%. Directors concurred to leave the District's money invested in TexPool.

The Board next discussed its Investment Policy, at the conclusion of which determined to make no changes. **Director Haney moved adoption of a Resolution Concerning Annual Review of the District's Investment Policy with no changes, which motion was seconded by Director Shepard and carried by unanimous vote.** A copy of the Resolution has been filed in the District's electronic records.

Ms. Bessire next presented the tax assessor-collector's report and tax bills, a copy of which is filed in the District's electronic records. She noted tax collections are 78.2% complete for the 2023 tax year. It was then noted that last year the Board adopted a residence homestead tax exemption of \$30,000 for persons 65 years old or older and disabled. **Director Shepard then moved adoption of a Resolution Authorizing Ad Valorem Tax Exemptions for the 2024 tax year of \$30,000 on the residence homesteads of persons 65 years old or older and disabled, which motion was seconded by Director Blackwell and carried by unanimous vote.** A copy of the Resolution has been filed in the District's electronic records. Discussion was next had about additional penalty for tax collection costs for delinquent tax accounts. **Director Shepard then moved adoption of a Resolution Adopting Additional 20% Penalty for Tax Collection Costs on delinquent tax accounts. The motion was seconded by Director Blackwell and carried by unanimous vote.** A copy of the Resolution has been filed in the District's electronic records.

The Board requested that an item be placed on the next agenda to consider and discuss changing the name of the District.

ENGINEER'S REPORT

Sean Humble submitted his report, a copy of which is filed in the District's electronic records. He discussed a proposal for televising the District's sanitary sewer lines, and then based on the televised report and video he will prepare construction plans for the rehabilitation work to be done. He provided a map of the District divided into 6 Sections and suggested starting with Section 1. He estimated a cost of \$45,000 for televising and cleaning the sanitary sewer in Section 1, and if 50% of the sanitary sewer in Section 1 needs to be rehabilitated the estimated construction cost is \$500,000. Discussion was had and Directors reached a consensus to start with Section 2. **Director Shepard moved that the engineer be authorized to proceed with going out for bids for televising and cleaning the sanitary sewer in Section 2, and review the televised report and video and prepare construction plans for the rehabilitation work to be done. The motion was seconded by Director Ross and carried by unanimous vote.**

The engineer next reported that per the District's Groundwater Reduction Plan, the District is required to increase the amount of surface water taken on a yearly basis to 60% in 2025 and 80% in 2035. This requires the routing of surface water to Water Plant No. 1 for an estimated cost of \$754,783. **Director Ross moved that the engineer be authorized to go out for bids to proceed with the project at an estimated cost of \$754,783, which motion was seconded by Director Shepard and carried by unanimous vote.** The engineer recommended that the District begin to budget for rehabilitation of Water Plant #2 with a preliminary cost estimate of \$1,461,075, which is to be undertaken after completion of the routing of surface water to Water Plant No. 1.

The engineer next reported that the City of Houston is working to draft an amendment to the water supply contract with the District to increase the minimum monthly amount of projected surface water usage; Viv's Hair Odyssey at 7415 Fairbanks North-Houston is no longer discussing platting its property and bringing it into the District; and CenterPoint is scheduled to begin replacing the District's Halogen streetlights with LEDs, and are working to reactivate 3 streetlights in the District. It was also reported that Mr. Mousaffa declined the District's offer to purchase his land.

UTILITY OPERATOR

Claudine Pacioni submitted her report to the Board, a copy of which is filed in the District's electronic records. She reported water accountability of 96.43% for the month of January, and the wastewater treatment plant is within permit parameters. The list of delinquent water accounts and proposed services terminations was presented.

Director Haney reported about the operator's investigation and handling of a leak at a residence on Log Hollow, which required the technician to be called out twice and both times concluding that the leak was on the customer's side. Director Haney went out and investigated and found the leak to be on the District's side. Discussion was had and Claudine said that she will look into the matter and report back to the Board at its next meeting. Director Haney reported that he found 11 out of 12 meters he checked have black screens and could not be read. He called Badger customer service and did not get an acceptable response. Director Ross also called Badger and spoke

with Mr. Jim Phillips who stated that they are aware of the problem with the black screens in the District, as well as other districts, and are working on a fix. Claudine noted that Accurate Meter is the exclusive provider of Badger meters in Texas. At the conclusion of a lengthy discussion, **Director Ross moved that the attorney be authorized to write letters to both Badger and Accurate Meters concerning the defective meters, which motion was seconded by Director Mathewes and carried by unanimous vote.** The Board asked that the operator invite Chip Callegari to its next meeting.

Ms. Pacioni presented a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program. **Director Shepard moved approval of the Resolution, which motion was seconded by Director Blackwell and carried by unanimous vote.** A copy of the Resolution has been filed in the District's electronic records.

ATTORNEY REPORT

Michael Cole presented his Attorney's report to the Board, a copy of which has been filed in the District's electronic records. The attorney reported that the District's annual eminent domain report had been timely filed. He reminded the Directors of the \$7,200 annual allowance for Director per diems. He said that Director Ross will reach that max quickly in connection with his work inspecting the water line risers to each home in the District for compliance with the State's lead/copper requirements. He suggested the Board consider engaging Director Ross as a consultant for this work, and for Director Ross to come up with a proposed dollar amount for his work. Directors requested an item be placed on the next agenda for consideration of this item.

Mr. Cole reported that Directors Ross and Mathewes are up for reelection on May 4, 2024, and that it is appropriate to adopt an order calling the Directors election. **Director Shepard moved adoption of an Order of Directors Election, which motion was seconded by Director Ross and carried by unanimous vote.** A copy of the Order has been filed in the District's electronic records.

BUILDING COORDINATOR REPORT

The Building Coordinator's report was presented by Director Ross, a copy of which is filed in the District's electronic records. He reported an ending balance in the District's building fund of \$921.25. Director Haney asked Director Ross look for items that have been paid out of the account that can be reimbursed. Discussion was had about the potential property swap with the HOA and it was reported that the HOA wants the District to keep the streetlights on as part of the deal.

A bid from Flock Safety to add an additional camera on Battle Oak to capture cars leaving the neighborhood was presented. The bid is in the total amount of \$6,650 for 1 year including the installation fee. **Director Haney moved approval of the bid from Flock Safety, which motion was seconded by Director Ross and carried with Directors Haney, Ross, Mathewes and Shepard voting Aye and Director Blackwell abstaining.**

Discussion was next had about the possibility of sharing the costs and services of the District's security services contract with Oakwood Forest, a gated community outside of the District.

The Board indicated its willingness to consider if Oakwood Forest is willing to pay 1/3 of the cost of the contract. An item will be placed on the Board's next agenda for further discussion.

A brief discussion was had about negative reviews of the District on Google and services that can be retained for cleaning up the reviews. Director Haney said that in light of the problems the District is having with TNG, he does not think it appropriate to look into such service at this time. Directors took no action and agreed to revisit at a future meeting.

CONSENT AGENDA

The Consent Agenda was approved on the motion of Director Shepard and second of Director Blackwell, 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 FEBRUARY 8, 2024**

BOOKKEEPER. No new commitments.

OPERATOR to conduct necessary terminations of service; investigate Julian Gamboa's approximate \$400 water bill and report to the Board at its next meeting; look into operator's investigation and handling of a leak at a residence on Log Hollow and report to the Board at its next meeting; and invite Chip Callegari to the District's next meeting.

ATTORNEY to place items on the next agenda to consider and discuss changing the name of the District; to consider engaging Director Ross as a consultant for his work inspecting the water line risers to each home in the District for compliance with the State's lead/copper requirements, and to consider exploring Security Services contract sharing and costs with Oakwood Forest, a gated community outside of the District; and write letters to both Badger and Accurate Meters concerning the defective meters.

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

BUILDING COORDINATOR to look for items that have been paid out of the building account that can be reimbursed.

TAX ASSESSOR COLLECTOR no commitments.

DIRECTOR ROSS to propose a dollar amount for his work inspecting the water line risers to each home in the District for compliance with the State's lead/copper requirements