

**MINUTES OF MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23
SEPTEMBER 11, 2025**

**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 5:00 P.M. at the regular meeting place inside the District on the 11th day of September, 2025, and the roll was called of the duly constituted officers and members of the Board, to-wit:

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

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

Persons also present included:

Jeanelle Walker of Courtyard Glen;
Jon Durnell of McCall Gibson Swedlund Barfoot Ellis PLLC;
Jennifer Landreville of Equi-Tax Inc;
Sean Humble of Sherrington-Humble, LLC;
Claudine Pacioni of TNG Utility Corporation;
Pete Pedersen, resident of MUD 220; and
Michael Cole and Cindy Nichols of Michael A. Cole P.C.

SECURITY

Director Haney provided stats on Deputy cars caught on the Flock cameras entering Woodland Trails West and Courtyard Glen subdivisions. Director Haney reported that there had been someone walking around the yards of homes on Woodland West, and Jose Olivares caught this person on his camera; however, no one filed a report so no investigation was opened; there were 2 car burglaries and 1 burglary at Little Buddy's during the month of August; a citation was issued to the White Oak Industrial Park for discharging contaminants into the storm/detention area; and a body had been found, across the bayou on Woodland Oaks Street, outside of the District's boundaries.

CUSTOMER COMMENTS

Jeanelle Walker reported that Courtyard Glen HOA is working to replace trees that had been knocked down by a past storm, and there are some trees around the walking trail that need to be trimmed. Pete Pedersen reported that he will request MUD 220 for a meeting with both of the Boards of MUD 220 and MUD 23.

MINUTES

Director Shepard moved approval of the minutes of the Board's August 14, 2025 meeting, which motion was seconded by Director Blackwell and carried by unanimous vote.

PRESENTATION OF ANNUAL AUDIT REPORT

Jon Durnell of McCall Gibson Swedlund Barfoot Ellis PLLC introduced himself to the Board. In response to Director Blackwell, Mr. Durnell explained that the auditor had not found the District 220 billing error because the auditor only tests the invoices against the agreement for mathematical accuracy, but stated that going forward a procedure has been implemented to test the accuracy against the City of Houston's rates. Director Ross asked if the auditor intends to reimburse the District for this billing error that was not caught or if the auditor has insurance coverage in place that will cover it. Mr. Durnell responded that he will look into whether there is such insurance coverage in place. Jennifer Landreville explained that the City of Houston used to provide a letter annually with its rate increase, but no longer provides such letter, and her office now checks the City of Houston rate monthly to confirm if there is any change.

Jon Durnell then presented and reviewed the draft annual audit report, and stated that the auditor is issuing a clean opinion. During the course of the review, he discussed the primary drivers for changes in revenue and expenditures fund balances; reviewed the budget and actual revenue, noting a \$95,323 positive variance; and stated that he will update the slate of officers on Page 46 to reflect the current slate as of May 31, 2025. At the conclusion of the review of the audit, **Director Shepard moved that the annual audit report be approved with the change to the slate of officers, which motion was seconded by Director Blackwell and carried by unanimous vote.**

CONSENT AGENDA

BOOKKEEPER, INVESTMENT OFFICER, AND TAX ASSESSOR-COLLECTOR REPORTS

Jennifer Landreville presented the bookkeeper and investment officer reports, copies of which are filed in the District's electronic records. She reported that the District's Certificates of Deposit have an upcoming maturity in 10 days, and she discussed current rates at TexPool, Central Bank and Veritex. Discussion was had at the conclusion of which, **Director Ross moved that the bookkeeper be authorized to purchase four new Certificates of Deposit totaling \$1 million dollars at Central Bank, and then in 10 days when the current Certificates of Deposit mature move the funds to TexPool. The motion was seconded by Director Shepard and carried by unanimous vote.**

Ms. Landreville reviewed the bookkeeper's report, debt service fund, the August investment officer's report, and the August budget, noting that the budget is doing better than expected. Ms. Landreville reported that she will update the attendance sheet for the upcoming AWBD Winter Conference to reflect those Directors who will attend.

TAX ASSESSOR/COLLECTOR'S REPORT

Jennifer Landreville next presented the tax assessor/collector's report, a copy of which is filed in the District's electronic records. She reviewed the tax report, depository pledge report, and tax checks for approval. She noted that tax collections for the 2024 levy are 97.5% collected, and that the delinquent tax attorney has sent out delinquent tax collection letters and one person has signed up for a payment agreement.

PRESENTATION OF EFFECTIVE TAX RATE CALCULATIONS

Jennifer Landreville then presented the 2025 Tax Rate Study as prepared by Bill Blitch, a copy of which is filed in the District's electronic records, and gave a thorough review of the tax rate calculations. During the review, discussion was had about estimated costs for upcoming needed repairs and maintenance. At the conclusion of discussion, **Director Shepard moved approval for the tax assessor/collector to publish a maximum effective tax rate in the Houston Business Journal of \$0.3930 per \$100 assessed valuation, which motion was seconded by Director Haney and carried by unanimous vote.**

ENGINEER'S REPORT

Sean Humble presented his engineer's report, a copy of which is filed in the District's electronic records. He reported that a draft attachment to the TCEQ Agreed Order has not yet been received from TCEQ; he is revising and will resubmit the easement for the City of Houston surface water to Water Plant No. 1; he recommends approval of Pay Estimate No. 3 and Final in the amount of \$6,299.13 to National Works, Inc. for the Camera Survey Phase 1A, and will release the check upon verifying that all the documentation has been submitted; he has requested an update from the City of Houston for the executed Memorandum Understanding (MOU) to temporarily suspend collection of penalties for water as long as an agreement on the amendment is reached by the end of the year, and he noted that the District will use its Harris-Galveston Subsidence District credits to make up any difference; the preliminary construction plans for the Auto Zone at 7718 Fairbanks-North Houston have been reviewed and comments provided; and the monthly maintenance of the fine screen is finished, and the utility operator will take over the maintenance going forward. Director Ross requested the **Board's approval to, after the warranty on the fine screen expires, try a different bar to see if it will self-clean better than what is there now, to which all Directors provided approval.** Mr. Humble next reported that the hydropneumatic tank interior recoating at Water Plant No. 1 is complete and recommended approval of Pay Estimate No. 1 and Final in the amount of \$21,000 to CFG Industries; he has not yet received an invoice or the video of the televised sanitary sewer lines from the manhole near 8203 Split Oak Drive; surge protection has been ordered at both water plants, and will be installed when received; the GM Service well reports were received and reviewed for the Districts two water wells; and that he had provided the Engineer Report of Values needed for the District's insurance policy renewal.

UTILITY OPERATOR

Claudine Pacioni presented the utility operator's report, a copy of which is filed in the District's electronic records. Ms. Pacioni reported August water consumption of 10,978,000 gallons;

pumpage of 11,734,000 gallons; water accountability of 97.13%; the 12 month rolling average of water accountability of 97.09%; the wastewater treatment plant operated within permit parameters; and presented accounts proposed for water service termination due to non-payment. She reported that she had contacted Tailscale, the SCADA provider for the blowers at the wastewater treatment plant, about cyber security insurance coverage and received a response that Tailscale does not provide insurance coverage for its customers' systems since the equipment is owned and managed by others.

Discussion was had about the blower meter and Claudine confirmed it is expected to be installed next week, and the utility operator will take over the blower maintenance going forward. Mr. Humble stated that he will ask David Neil with NTS to put a power recorder out there and he will bring a quote to the next meeting, but the challenge will be having CenterPoint fix any issues with dirty power that are discovered. Finally, Ms. Pacioni reported that the meter replacement project is progressing.

ATTORNEY REPORT

Michael Cole presented a Legislative Summary for the Board's review, noting some of the legislation effecting water districts. Cindy Nichols reported that the District's website has been updated with a new theme, and that she reviewed the website and all looks good.

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. Director Ross reported that all three HOA's have paid their deposits for use of the District's building; and there have been no bookings of the building for this month, but he received a call today for a possible booking on Saturday. Some discussion was had about the District's address reflected on Next Door as Michael A. Cole P.C.'s address and maybe that is why there is not more interest in renting the District's building. Director Ross reported that he has not been happy with the service provided by Earthcare Management for the District's landscape maintenance, and Michael Cole's office was directed to provide a copy of the Earthcare Management Landscape Maintenance Agreement to Director Ross.

Director Mathewes presented colors for the concrete garbage cans for the District's trails. Directors did not reach a consensus for the color. He reported that he continues to work on having the locks at the District's building re-keyed; and that he proposes to get **a driver to drive posts into the ground for mounting the "no motorized vehicles" signs for the District's trail, to which all Directors agreed.** In response to Director Blackwell regarding the rods sticking out of the ground at Little Buddy's, Director Ross stated that he will saw them off at the ground. Director Haney stated that **National Night Out is October 7th and the Board agreed that the District will provide hot dogs like it did last year.** Some discussion was had about the Consultant Appreciation Dinner, and Director Haney presented a few choices and stated that the dinner will be scheduled for December 11th after the Board's meeting. Director Shepard stated that she will take care of invitations for the dinner, and the Board reviewed the guest list.

CONSENT AGENDA

Director Shepard moved approval of the Consent Agenda, approval of Pay Estimates as recommended, and approval of water service terminations as recommended, noting that there were no persons present to show cause why water service should not be terminated, which motion was seconded by Director Blackwell and carried by 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 SEPTEMBER 11, 2025

AUDITOR to look into whether the auditor has insurance coverage in place that would cover the billing error to District 220 that was not caught by the auditor.

BOOKKEEPER to purchase four new Certificates of Deposit totaling \$1 million dollars at Central Bank, and then in 10 days when the current Certificates of Deposit mature move the funds to TexPool; and update the attendance sheet for the upcoming AWBD Winter Conference to reflect those Directors who will attend.

TAX ASSESSOR/COLLECTOR to publish a maximum effective tax rate in the Houston Business Journal of \$0.3930 per \$100 assessed valuation.

OPERATOR NONE.

ATTORNEY to provide a copy of the Earthcare Management Landscape Maintenance Agreement to Director Ross.

ENGINEER NONE.

BUILDING COORDINATOR saw offrods sticking out of ground at Little Buddy's.

DIRECTOR MATHEWES to *get a bid for new locks for District's building and setup a system for keeping track of issuance and return of keys*; and get a driver to drive posts into the ground for mounting the "no motorized vehicles" signs for the District's trail.

DIRECTOR BLACKWELL to attend the AWBD Workshop on September 18th regarding Infrastructure and Financial Resiliency.

DIRECTOR HANEY to make reservations for the Consultant Appreciation Dinner on December 11th following the District's meeting.

DIRECTOR SHEPARD to send invitations for the Consultant Appreciation Dinner on December 11th following the District's meeting.