

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

May 13, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 18 (the "District") met in regular session, open to the public, on the 13th day of May, 2024, at the offices of Baxter & Woodman, Inc., 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 Kennedy, thus constituting a quorum.

Also present at the meeting were: Roshell Arterburn of District Data Services, Inc.; Isabel Mata of Wheeler & Associates, Inc.; Janice Noeldner of Baxter & Woodman, Inc. ("Baxter & Woodman"); TR Riley of Eagle Water Management, Inc. ("Eagle"); and Adisa Harrington and Faye Simonds of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There were no public comments.

MINUTES

The Board considered approving the minutes of the April 8, 2024, regular meeting. After review and discussion, Director Skarboszewski moved to approve the minutes as presented. Director Swann seconded the motion, which passed unanimously.

SECURITY MATTERS

The Board reviewed the security report and discussed security matters in the District. A copy of the security report is attached.

2024 DIRECTORS ELECTION

CERTIFICATE OF ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Robert Bernardini, Vally Swann, and Charles Kennedy to the Board of Directors of the District, each for a four-year term. After review and discussion, Director Murr moved to approve the Certificate of Election and the distribution of same to Directors Bernardini, Swann, and Kennedy, and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director Skarboszewski seconded the motion, which passed unanimously.

DIRECTORS' SWORN STATEMENTS AND OATHS OF OFFICE

Ms. Harrington reviewed the Sworn Statements and Oaths of Office for Directors Bernardini, Swann, and Kennedy. After review and discussion, Director Murr moved to approve the Sworn Statements and Oaths of Office and direct that the documents be filed appropriately and retained in the District's official records, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Skarboszewski seconded the motion, which passed unanimously.

REORGANIZE THE BOARD

The Board agreed to take no action to reorganize the Board and concurred that the officers should retain their existing positions.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the newly elected directors. Following review and discussion, Director Murr moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Skarboszewski seconded the motion, which passed unanimously.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACTION TRAINING REQUIREMENTS

Ms. Harrington discussed the Texas Public Information Act ("TPIA") and noted that the Texas Legislature has made it explicit that officers and employees of governmental entities are temporary custodians of public information. Ms.

Harrington distributed a memorandum regarding Texas Open Meetings Act ("TOMA") and TPIA training requirements, noted that all Directors have previously completed TOMA training, and encouraged the Board of Directors to receive TPIA training as soon as possible and forward their certificate of completion to ABHR for inclusion in the District's permanent records.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Arterburn 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. The Board discussed the District's reserve fund and the budget for the current fiscal year, including back charge/damages, and repair and maintenance line items.

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

Following review and discussion, Director Swann moved to: (1) approve the bookkeeper's report and payment of the bills; and (2) authorize directors attending the AWBD summer conference to receive up to four per diems, three nights of hotel expense, and reimbursement for reasonable meals during the conference. Director Skarboszewski seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Mata reviewed the tax assessor/collector's report and the delinquent tax roll, copies of which are attached.

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

ENGINEERING REPORT

Ms. Noeldner reviewed the engineer's report, a copy of which is attached.

Ms. Noeldner then reviewed a summary of current and anticipated future capital projects, a copy of which is attached to the engineer's report.

Ms. Noeldner gave an update on Lake Forest Plant Advisory Committee ("LFPAC") activities and reviewed the Plant engineer's report, a copy of which is attached to the engineer's report.

Ms. Noeldner gave an update on the District's water system model and evaluation, as reflected in the engineer's report.

Ms. Noeldner updated the Board on Phase IV sanitary sewer cleaning and televising, as reflected in the engineer's report.

Ms. Noeldner updated the Board on the Malcomson Road water plant generator replacement, fence replacement, and site improvement project. Ms. Harrington stated that she has contacted the City of Houston regarding the noise level restriction ordinance and the District's proposed new generator and is awaiting a response. Ms. Noeldner then discussed the Texas Public Utility Commission's Texas Energy Fund timeline for grants.

Ms. Noeldner updated the Board on the water plant coating improvements, as reflected in the engineer's report.

Ms. Noeldner updated the Board on the water plant improvements, as reflected in the engineer's report.

Ms. Noeldner updated the Board on the Oak Bluff water plant ground storage tank rehabilitation project.

Ms. Noeldner updated the Board on the Hidden Falls detention pond evaluation.

Ms. Noeldner updated the Board on the District's lead service line inventory, as reflected in the engineer's report.

Ms. Noeldner updated the Board on the District's Emergency Preparedness Plan that has been submitted to the TCEQ.

Ms. Noeldner reviewed the estimated replacement values for District facilities in connection with the District's 2024 insurance renewal with Arthur J. Gallagher & Co. ("Gallagher"). She requested authorization to submit the estimated replacement values to Gallagher.

Following review and discussion, and based on the engineer's recommendation, Director Skarboszewski moved to: (1) approve the engineer's report; and (2) authorize Baxter & Woodman to submit updated estimated replacement values for District facilities to Gallagher. Director Murr 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 100.01%.

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.

Mr. Riley updated the Board on the District's valve survey. Director Swann stated a resident reported that a contractor is using the District's fire hydrants for water. Mr. Riley stated that Eagle will investigate the contractor's use of the District's fire hydrants.

The Board then discussed the damage to several District trunk and service lines by EZEE Fiber's contractor and the outstanding back charge invoices.

Ms. Harrington stated that the District's Identity Theft Prevention Program (the "Program") requires Eagle to provide an annual written report addressing the effectiveness of the Program, significant instances of identity theft detection, and any recommendations regarding changes to the Program. Mr. Riley stated that the report indicates no significant incidents of identity theft detection and recommends no changes to the Program. The Board concurred that it is not necessary to adopt a Program amendment at this time.

Mr. Riley reviewed the draft 2023 Consumer Confidence Report ("CCR") with the Board. He reported that the District's drinking water is regulated by the TCEQ to ensure the water meets all of the requirements as stated in the Federal Drinking Water Standards, which also requires the District to publish a CCR to District residents regarding the status of the drinking water. He stated that the Environmental Protection Agency allows for electronic CCR delivery with a customer option to request a paper CCR. He requested Board authorization to include a website link to the CCR on the June water bill in lieu of mailing out hard copies of the CCR to all District customers and provide hard copies of the CCR only to those customers who request hard copies. Mr. Riley stated he will email the CCR to Director Bernardini for posting on the District's website. The Board discussed the schedule for testing per- and polyfluoroalkyl substances in the District and sources for contamination.

The Board reviewed the District's Emergency Operations Plan and concurred that it was not necessary to adopt an Amended Emergency Operations Plan at this time.

The Board discussed emergency response training and the purchase of two antennas.

Following review and discussion, Director Skarboszewski moved to: (1) accept the operator's report; (2) terminate utility service in accordance with the procedures set

forth in the District's Rate Order because the residents on the termination list were neither present at the meeting nor had presented any statement on the matter, and direct that the delinquent customer list be filed appropriately and retained in the District's official records; (3) approve the CCR, subject to review and finalization, and authorize the operator to include a website link to the CCR on customer water bills in lieu of mailing out hard copies of the CCR to all District customers, provide hard copies of the CCR to those customers who request hard copies, file the certificate of mailing with the TCEQ, and post the CCR on the District's website; and (4) authorize ABHR to correspond with EZEE Fiber regarding outstanding invoices for back charge damages. Director Murr seconded the motion, which passed unanimously.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA") MATTERS

Director Murr updated the Board on NHCRWA matters.

LAKE FOREST PLANT ADVISORY COUNCIL MATTERS

Director Skarboszewski reported on LFPAC matters.

WEBSITE AND COMMUNICATION MATTERS

The Board discussed website and communication matters.

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

/s/ Michael Murr
Secretary, Board of Directors



(SEAL)

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