

MINUTES OF MEETING  
OF  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 53  
OF HARRIS COUNTY, TEXAS

January 9, 2024

THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 53 (the "District") of Harris County, Texas, met in regular session, open to the public, on the 9<sup>th</sup> day of January, 2024, at a designated meeting place outside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Judy Grant	President
Andre Bradley	Vice President
Drew Fontenette	Secretary/Treasurer
Kristine Johnstone	Assistant Vice President
Peter Mitchell	Assistant Secretary/Treasurer

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

Also attending the meeting were Billy Allen and Pat Gray of Harris County Fresh Water Supply District No. 51 ("FWSD No. 51"); Jaime Salinas of Huitt-Zollars, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("Municipal Accounts"); Brenda McLaughlin of Bob Leared Interests; and P. John Kuhl, Jr., and Audrey Lyons of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SKLaw").

President Grant noted that a quorum was present and called the meeting to order.

### **APPROVE MINUTES**

The Board first considered approving the minutes of the December 12, 2023, meeting. Upon motion by Director Fontenette, seconded by Director Johnstone, and after full discussion, the Board voted unanimously to approve the minutes as presented, and to authorize execution by the Secretary/Treasurer, and if necessary, to authorize the use of facsimile, electronic, or other appropriate signatures.

### **RECEIVE COMMENTS OR QUESTIONS FROM THE PUBLIC**

The next item on the agenda was to receive comments or questions from the public. There were no comments or questions from the public.

### **BOOKKEEPING REPORT**

#### **Review Account and Fund Activity Statements, Budget Comparison, and Investment Transactions**

Mr. Hawthorne reviewed with the Board the Bookkeeping Report and answered questions.

#### **Discuss enrolling in Positive Pay**

Mr. Hawthorne reviewed the enrollment requirements for Positive Pay and answered questions. He suggested enrolling only the main operating account at a cost of \$25 per month.

Upon motion by Director Johnstone, seconded by Director Fontenette, and after full review and discussion of the bills and corresponding checks, including AWBD expenses, the Board voted unanimously to approve the Bookkeeping Report and authorize the Bookkeeper to enroll in Positive Pay.

Director Bradley queried on the District's safety procedures in the check writing and distribution process. Mr. Hawthorne reviewed the process and procedures. Director Bradley requested to join the Audit Committee. Ms. Lyons advised that the Audit Committee is currently composed of the District's Auditor and Director Mitchell. Upon motion by Director Johnstone, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to expand the Audit Committee to include Director Bradley.

## **TAX ASSESSOR/COLLECTOR REPORT**

### **Review Tax Receipt and Disbursement Statements**

The Board then received the Tax Assessor/Collector's Report. Ms. McLaughlin reviewed with the Board the tax report, advising that approximately 27.2% of the 2023 taxes have been collected.

Upon motion by Director Bradley, seconded by Director Fontenette, and after full discussion, the Board voted unanimously to approve the Tax Assessor/Collector Report, and to pay the tax bills as presented.

### **Confirm Employment of Delinquent Tax Attorney**

The next item on the agenda was to confirm employment of the Delinquent Tax Attorney. Mr. Kuhl advised that the District has an existing contract with Perdue Brandon Fielder Collins & Mott, LLP ("Perdue Brandon") for collection of delinquent taxes. Upon motion by Director Bradley, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to re-confirm employment of Perdue Brandon to collect specified delinquent real property taxes and personal property taxes.

### **Adopt Order Providing for Additional Penalty for Tax Collection Costs**

The next item on the agenda was to consider adoption of a proposed Order Providing for Additional Penalty for Tax Collection Costs [GO 2024-1]. Mr. Kuhl reviewed with the Board the Order, which implements such penalties, including an additional penalty of 20% on real property taxes remaining delinquent on July 1, 2024, and personal property taxes remaining delinquent on April 1, 2024.

Upon motion by Director Bradley, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to adopt the Order Providing for Additional Penalty for Tax Collection Costs [GO 2024-1], and to authorize execution by the President and Secretary/Treasurer, and if necessary, to authorize the use of facsimile, electronic, or other appropriate signatures.

### **Adopt Order Concerning Tax Collection Procedures**

The Board next considered adoption of a proposed Order Concerning Tax Collection Procedures [GO 2024-2]. Mr. Kuhl reviewed with the Board the Order, which rejects the tax collection procedures provided by the Property Tax Code permitting the split payment of taxes and a discount for early payment.

Upon motion by Director Bradley, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to adopt the Order Concerning Tax Collection Procedures [GO 2024-2], and to authorize execution by the President and Secretary/Treasurer, and if necessary, to authorize the use of facsimile, electronic, or other appropriate signatures.

### **Adopt Order Concerning Exemptions from Taxation**

The Board next considered adoption of a proposed Order Concerning Exemptions from Taxation [GO 2024-3]. Mr. Kuhl advised that the Board has previously not granted a general residence homestead exemption, but has granted a \$10,000 homestead exemption for disabled persons or persons over sixty-five years of age.

Upon motion by Director Bradley, seconded by Director Mitchell, and after full discussion, the

Board voted unanimously to adopt the Order Concerning Exemptions from Taxation [GO 2024-3], providing the following: 1) that no general residential homestead exemption be granted; 2) that a \$10,000 homestead exemption for disabled persons or persons over sixty-five years of age be granted; and 3) that qualified charitable organizations described in Section 11.184 of the Tax Code not be exempted, and to authorize execution by the President and Secretary/Treasurer, and if necessary, to authorize the use of facsimile, electronic, or other appropriate signatures.

## **ENGINEERING REPORT**

The Board next reviewed the Engineering Report.

### **Review General Report**

Mr. Salinas first advised that water accountability for the month of December was approximately 71%, putting the annual at 91%.

### **Sanitary sewer cleaning and televising [Sterling Green South, Phase 2]**

Mr. Salinas then reviewed finalization matters for the Phase 2 sanitary sewer cleaning and televising in Sterling Green South. He noted that a final pay estimate and the findings report on related sanitary sewer lines and manholes has been provided, and Huitt Zollars is currently reviewing.

### **Dell Dale Street sidewalk improvements**

Mr. Salinas advised that the Harris County contractor is approximately 70% complete. He noted 2 manholes are on hold due to private utilities that require relocation. He stated that he will continue to coordinate facilities adjustments as needed.

### **Review CIP**

Mr. Salinas then discussed with the Board the current CIP budget and the status and development of projects. He noted that no changes to the CIP are needed at this time, and the next update will likely occur next month in connection with the new fiscal year and detention projects.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to approve the Project & Engineering report.

## **OPERATIONS & MAINTENANCE REPORT**

The Board next received the Operations Report. Mr. Gray reported on operations within the District, including repairs to District facilities during the preceding month, noting a normal operating period with no significant issues to report. The Board and Mr. Gray discussed progress on the street light bulb upgrade request.

Upon motion by Director Fontenette, seconded by Director Bradley, and after full discussion, the Board voted unanimously to approve the Operations & Maintenance report.

### **Delinquent Utility Bills**

Mr. Gray advised that customers appearing on the termination list were given proper notice and the opportunity to be heard in order to explain, contest, or correct the utility service bill and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order. After discussion, Director Fontenette moved that since the customers were neither present at the meeting nor presented any written statement on the matter, that service be terminated, except customers denoted with an asterisk as those customers contacted the Operator to schedule payment. Director Bradley seconded the motion, which passed by unanimous vote.

## **RECEIVE DETENTION AND DRAINAGE FACILITIES REPORT**

The next item on the agenda was to receive the detention and drainage facilities report [Champions Hydro-Lawn]. Mr. Miller advised that the next major activity will be the spring overseed in April. He noted that the facilities are in good operating condition and have weathered recent rainy conditions well.

Mr. Miller advised that all dead trees have now been replaced and that the trees have been treated for mites and disease issues.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to approve the Detention and Drainage Facilities Report.

## **REPORT ON NORTH CHANNEL WATER AUTHORITY**

The next item on the agenda was to receive a report on the NCWA. Mr. Salinas reviewed with the Board a memorandum summarizing the NCWA meeting of December 11, 2023.

The Board took the NCWA report under advisement.

## **INSURANCE MATTERS**

Ms. Lyons then reviewed the insurance proposal renewal summary, noting that the renewal premium has increased by approximately \$3,300 due to increases in property values. She advised that the decrease in the agent fee has been confirmed by the Insurance Agent.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to approve the insurance proposal as presented.

## **CONSIDER ADJOURNMENT**

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



  
Secretary/Treasurer, Board of Directors