

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

April 11, 2023

THE STATE OF TEXAS §
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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 11th day of April, 2023, 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, except Directors Bradley and Johnstone, 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"); Julia McCain of McCall Gibson Swedlund Barfoot, PLLC ("MGSB"); Brenda McLaughlin of Bob Leared Interests; Perry Miller of Champions Hydro-Lawn; 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 March 14, 2023, meeting. Upon motion by Director Fontenette, seconded by Director Mitchell, 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.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after review and full discussion of the bills and corresponding checks, the Board voted unanimously to approve the Bookkeeping Reports, and to pay the bills as presented.

Review Budget

Mr. Hawthorne then reviewed with the Board a proposed budget for the fiscal year ending May 31, 2024. He advised a final budget will be presented to the Board for approval at the next meeting.

AUDIT AND REPORTING MATTERS

Appoint Audit Committee

The Board then considered the appointment of an Audit Committee in connection with the audit for the fiscal year ending May 31, 2023. Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to appoint Director Mitchell and the District's Bookkeeper to the Audit Committee.

Confirm employment of auditor

The next item on the agenda was to confirm employment of the auditor to conduct the audit of the District's financial statements for the fiscal year ending May 31, 2023. Ms. McCain reviewed with the Board a letter confirming the terms of the evergreen contract between the District and MGSB for preparation of the audit. She advised that the estimated fee to perform the audit is between \$20,000 and \$21,500. Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to confirm the engagement of MGSB, as the auditor to again perform the audit for the fiscal year ending May 31, 2023.

Authorize Preparation and Filing of Official Statement Supplement

The next item on the agenda was to authorize preparation of the Annual Report in accordance with the District's Continuing Disclosure of Information Agreement and as referenced by Securities and Exchange Commission ("SEC") Rule 15c2-12. Mr. Kuhl advised that the SEC Rule requires the District to disclose certain financial and tax data in connection with the District's outstanding debt.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to authorize SKLaw to prepare and file the above-described report, which would allow the District to comply with SEC Rule 15c2-12.

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 95.9% of the 2022 taxes have been collected.

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

CONFIRMATION OR RATIFICATION PERTAINING TO COVID-19 PANDEMIC EMERGENCY ACTION

The Board next considered confirmation or ratification pertaining to COVID-19 pandemic emergency action. Mr. Kuhl advised that there were no emergency actions required since the last meeting, and that no Board action is necessary at this time.

ENGINEERING REPORT

The Board next reviewed the Engineering Report.

Review General Report

Mr. Salinas advised that the water accountability for January was approximately 77%, putting the annual at 89%.

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

Mr. Salinas reviewed progress on the Phase 2 sanitary sewer cleaning and televising in Sterling Green South. He advised that work is ongoing and will be completed within the next week.

Sidewalk replacement project – Phase 3

Mr. Salinas then reviewed progress of the Phase 3 sidewalk replacement project. He advised that the project is underway and should be complete in approximately 3 weeks.

Mr. Salinas then reviewed Pay Estimate No. 2 in the amount of \$76,945.50 to Macer Xpress, LLC, along with a recommendation for payment.

Tenderden Lift Station

Mr. Salinas then discussed the proposed Tenderden Lift Station Rehabilitation needs and design progress to date. He discussed the schedule for bidding the project, advising that he expects to have bids for review by the Board at the next regular meeting.

Dell Dale Street sidewalk improvements

Mr. Salinas then discussed an Interlocal Agreement with Harris County pertaining to possible sidewalk improvements to be constructed by the County. He advised that a proposed participation Agreement has not yet been received from the County. He stated that based on the terms preliminarily discussed, it would be economically advantageous for the District to enter into the Agreement.

After full discussion, the Board decided to defer the authorization until a final version of the Agreement is available.

Review CIP

Mr. Salinas advised that the CIP will be updated once bids for the Tenderden Lift Station Rehabilitation are received.

Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to approve the Engineering Report, including the approval of Pay Estimate No. 2, and to authorize advertisements for bids for the Tenderden lift station project.

OPERATIONS & MAINTENANCE REPORT

The Board next received the Operations Report. Mr. Gray reviewed operations matters for the month, noting that it has been a relatively normal operating month.

Rate increase for solid waste services billing

The Board reviewed a letter from the SGCIA Board of Directors requesting that the SGCIA solid waste collection services fee collected by the District be increased from \$15.03 to \$15.72. Mr. Allen reviewed related implementation efforts. The Board expressed no objection.

Adopt Order Evidencing Review of ID Theft Prevention Program

Mr. Kuhl reviewed with the Board a proposed Order Evidencing Review of Identity Theft Prevention Program [GO 2023-4]. Mr. Allen reviewed the annual report on the status of the Program, advising that no changes to the Program are recommended at this time. Upon motion by Director Fontenette, seconded by Director Mitchell, and after full discussion, the Board voted unanimously to adopt an Order Evidencing Review of Identity Theft Prevention Program [GO 2023-4], and to authorize execution by the President and Secretary/Treasurer, and if necessary, to authorize the use of facsimile, electronic, or other appropriate signatures.

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 Mitchell seconded the motion, which passed by unanimous vote.

RECEIVE DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Miller advised that the next major activity will be the spring overseed later in the month. He noted that mowing is complete and that the facilities and grounds are in good operating condition.

Mr. Miller then advised that the Italian trees at Water Plant No. 2 are not improving. He noted that efforts will continue to save them, but they will likely need replacing. He discussed various possibilities for the failure of the trees, noting the problems appear to be prevalent throughout the Houston area. President Grant requested Mr. Miller begin looking into replacement options and bring quotes to a future Board meeting.

The Board took the detention and drainage facilities report under advisement.

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 March 13, 2023.

The Board took the NCWA report under advisement.

CONSIDER ADJOURNMENT

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



Secretary/Treasurer, Board of Directors