

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 468

September 7, 2022

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 468 (the “District”) met in regular session, open to the public, in person, on the 7th day of September 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Kenneth P. Carter	President
Blair M. Frederick	Vice President
Robert Moore	Secretary/Treasurer
William T. Evans	Assistant Vice President
Lawrence Kupstas	Assistant Secretary

and all the above were present, thus constituting a quorum.

Also attending in person were Jan Bartholomew and Trevor Compton of Robert W. Baird & Co. Incorporated; Sergeant David Hilborn of the Harris County Sheriff’s Office; Crystal Horn of McGrath & Co., PLLC; Tam Trinh and Cory Burton of Municipal Accounts Consulting, L.P.; Michael Murr of Murr Incorporated; Karen Sears of Storm Water Solutions, LLC (“SWS”); Erik Scott and Scott Gray of Champions Hydro-Lawn, Inc. (“Champions”); Juan Montano of Inframark Water & Infrastructure Services; Kelley Jurecek of Tax Tech, Inc.; Keli Schroeder of BGE, Inc. (“BGE”); and Greer Pagan and Meagan Guilmenot of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENT

The Board offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, the Board moved to the next agenda item.

APPROVE MINUTES

The Board considered approving the minutes of the August 3, 2022, regular meeting. After review and discussion, Director Frederick moved to approve the minutes of the August 3, 2022, regular meeting, as submitted. Director Moore seconded the motion, which carried unanimously.

DISTRICT SECURITY MATTERS

Sergeant Hilborn introduced himself to the Board and discussed security matters in the District. Mr. Pagan reviewed and presented the Interlocal Agreement for Law Enforcement Services (the “Agreement”) between the District and Harris County for the

Board's consideration and approval. Following review and discussion, Director Frederick moved to approve the Agreement. Director Kupstas seconded the motion, which passed by unanimous vote.

PRESENTATION FROM ACCLAIM ENERGY FOR AGGREGATION 7 AND AUTHORIZE APPROPRIATE ACTION, IF ANY

There was no discussion on this agenda item.

APPROVE AUDIT FOR FISCAL YEAR END MAY 31, 2022

Ms. Horn reviewed the District's audit for the fiscal year ending May 31, 2022. After review and discussion, Director Moore moved to approve the audit, subject to final review by ABHR, and direct that the audit be filed appropriately and retained in the District's official records. Director Frederick seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Burton presented the bookkeeper's report, including the summary of investments, and reviewed the District's bills with the Board, a copy of which is attached.

Upon a motion made by Director Evans and seconded by Director Frederick, the Board voted unanimously to approve the bookkeeper's report and pay the bills listed in the report.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Jurecek reviewed the tax assessor/collector's report, a copy of which is attached. She reported that 99.40 % of the 2021 tax levy had been collected as of September 7, 2022. Following review and discussion, Director Frederick moved to approve the tax assessor/collector's report and payment of the tax bills. Director Kupstas seconded the motion, which passed unanimously.

DISCUSS WATER CODE TAX PROVISIONS AND 2022 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2022 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the procedures for setting the District's 2022 tax rate. Mr. Pagan discussed recent legislative changes to the "truth-in-taxation" property tax calculations and tax levy process for water districts in Chapter 49, Texas Water Code. He stated that such legislation established three main categories for water districts, based on a district's development status and/or tax rate. Mr. Pagan reviewed the definitions for each of the three categories and said the Board must annually determine the District's

category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2022 tax year. Ms. Bartholomew stated that she will distribute a revised tax rate analysis to the Board reflecting the District's development status as Developed instead of Developing.

Ms. Bartholomew distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2022 water, sewer, and drainage debt service tax rate of \$0.495 per \$100 of assessed valuation and a 2022 road debt service tax rate of \$0.07. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate.

Following review and discussion, Director Frederick moved to (1) adopt a Resolution Regarding Development Status for 2022 Tax Year establishing the District as a Developed District for the 2022 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) set the public hearing date for October 5, 2022; and (3) authorize the tax assessor/collector to publish notice in the Houston Chronicle of the District's meeting on October 5, 2022 to consider the proposed 2022 total tax rate of \$0.495 per \$100 of assessed valuation, with \$0.35 allocated for debt service on water, sewer, and drainage bonds, \$0.07 allocated for debt service on road improvement bonds, and \$0.075 allocated for operations and maintenance. Director Moore seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS

Ms. Schroeder reviewed a report on engineering matters within the District, a copy of which is attached.

Ms. Schroeder updated the Board on the status of the Vintage Preserve Parkway's Storm Sewer construction project.

Ms. Schroeder requested the Board's authorization to implement a capital improvement and maintenance plan ("CIP"), including projects, completed and underway during the current fiscal year, and proposed projects for the fiscal year ending May 31, 2022, and for the future. Following review and discussion, Director Frederick moved to authorize BGE to prepare a CIP, as discussed. Director Kupstas seconded motion, which carried unanimously.

The Board discussed Harris County Flood Control District's Cypress Creek Watershed implementation program.

Following review and discussion, Director Frederick moved to approve the engineer's report. Director Moore seconded the motion, which passed by unanimous vote.

MAINTENANCE OF DETENTION POND

Ms. Sears reviewed a report on maintenance of the Vintage Royale Drainage Facilities by SWS, a copy of which is attached.

Ms. Sears updated the Board on the status of the sinkhole repairs near the side slope at the Vintage Park Reserve.

Mr. Scott introduced himself to the Board and reviewed reports on maintenance of the Vintage Southeast Detention Pond by Champions, copies of which are attached.

PARK AND RECREATIONAL FACILITIES

Mr. Murr reviewed the landscape architect's report, a copy of which is attached.

Mr. Murr updated the Board on the status of the Vintage Royale Sidewalks project. Mr. Murr reviewed and recommended that the Board approve payment of Pay Application No. 2 in the amount of \$35,630.10, payable to MoBill Contractors, Inc. ("MoBill") for the Vintage Royale Sidewalks project.

Mr. Murr updated the Board on the status of the District Connectivity, Phase I Sidewalk project.

Following review and discussion, Director Moore moved to approve Pay Application No. 2 in the amount of \$35,630.10, payable to MoBill for the Vintage Royale Sidewalks project. Director Kupstas seconded the motion, which carried unanimously.

Director Frederick reported that a tree fell onto a resident's backyard, and Harris County removed the tree in its entirety. The Board then discussed tree preservation, maintenance, and locating a possible maintenance agreement between the District and Harris County for the Louetta area. Ms. Schroeder stated that she would look into this matter as well.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

DISTRICT WEBSITE

There was no discussion on this agenda item.

OPERATION OF DISTRICT FACILITIES

Mr. Montano presented the monthly operator's report, a copy of which is attached, and discussed repairs and maintenance in the District. He stated that the District's water accountability for the month was 101.00%.

Mr. Montano presented and requested approval of a Payment Services Agreement with First Billing, for credit card and ACH e-check payment services. Following review and discussion, Director Frederick moved to approve the Payment Services with First Billing and direct that the Agreements be filed appropriately and retained in the District's official records. Director Kupstas seconded the motion, which passed unanimously.

CONDUCT HEARING ON TERMINATION OF WATER SERVICE

Mr. Montano presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Mr. Montano requested the Board's authorization to turn off services of ten delinquent accounts if balances are not paid by September 19, 2022.

Following review and discussion, Director Moore moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Kupstas seconded the motion, which passed by unanimous vote.

AMEND RATE ORDER

There was no discussion on this agenda item.

The Board concurred to conduct the next regular meeting on October 5, 2022, at 11:30 a.m.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



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Secretary, Board of Directors

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