

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 468

September 6, 2023

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 6th day of September 2023, 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: Allen Fok and Greg McGrath of McGrath & Co., PLLC; Diane Michaux of Municipal Accounts Consulting, L.P.; Jamar Simien and Michael Murr of Murr Incorporated (“Murr”); Mitchell Neupert of Robert W. Baird & Co. Incorporated; Karen Sears of Storm Water Solutions, LLC (“SWS”); Erik Scott and Robert Garcia of Champions Hydro-Lawn, Inc. (“Champions”); Robert Miller of Inframark Water & Infrastructure Services; Kelley Jurecek of Tax Tech, Inc.; Keli Schroeder of BGE, Inc.; and Greer Pagan and Sydney Durham of Allen Boone Humphries Robinson LLP.

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 2, 2023, regular meeting. After review and discussion, Director Kupstas moved to approve the minutes of the August 2, 2023, regular meeting, as submitted. Director Frederick seconded the motion, which carried unanimously.

DISTRICT SECURITY MATTERS

Director Frederick discussed security matters in the District.

Mr. Pagan reviewed an Interlocal Agreement for Law Enforcement Services (the "Agreement") between the District and Harris County. Following review and discussion, Director Frederick moved to ratify approval and execution of the Agreement, effective August 25, 2023, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Moore seconded the motion, which passed by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END MAY 31, 2022

Mr. McGrath reviewed the District's audit for the fiscal year ending May 31, 2023. After review and discussion, Director Frederick 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 Moore seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Michaux 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 Frederick and seconded by Director Evans, 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 99.62% of the 2022 tax levy had been collected as of September 1, 2023. Following review and discussion, Director Kupstas moved to approve the tax assessor/collector's report and payment of the tax bills. Director Frederick seconded the motion, which passed unanimously.

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.

DISCUSS WATER CODE TAX PROVISIONS AND 2023 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Pagan discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. He 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 2023 tax year.

The Board considered the District's 2023 tax rate. Mr. Neupert distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2023 water, sewer, and drainage debt service tax rate of \$0.32 per \$100 of assessed valuation and a 2023 road debt service tax rate of \$0.065, based on the District's initial 2023 certified value of \$866,193,833, plus \$13,105,459 representing 80% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Neupert discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Frederick moved to (1) adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developed District for the 2023 tax year, pursuant to Section 49.23602, 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 4, 2023; (3) authorize the tax assessor/collector to publish notice in the *Cypress Creek Mirror* of the District's meeting on October 4, 2023, to set the proposed 2023 total tax rate of \$0.465 per \$100 of assessed valuation, with \$0.32 allocated for debt service on water, sewer, and drainage bonds, \$0.065 allocated for debt service on road improvement bonds, and \$0.08 allocated for operations and maintenance. Director Kupstas 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 Water Plant Booster Pump Modifications. Ms. Schroeder stated that bids were received for construction of the Water Plant Boost Pump Modifications. Ms. Schroeder recommended that the Board authorize the award of the contract to the lowest qualified bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Following review and discussion, Director Frederick moved to (1) approve the engineer's report; and (2) authorize the engineer to award the contract for construction of Water Plant Booster Pump Modifications to the lowest qualified bidder, based upon the engineer's recommendation and subject to approval of the payment and performance

bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Moore seconded the motion, which passed by unanimous vote.

MAINTENANCE OF DETENTION POND (CONT'D)

Mr. Scott reviewed a report on maintenance of the Vintage Southeast Detention Pond by Champions, a copy of which is 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 replacement of the dead Italian cypress trees.

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

Mr. Murr reported regarding the fence bordering Aldi, Starbucks, and the District's detention pond.

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. Miller 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 93.38%.

Mr. Miller presented a proposal from Magna Flow Environmental for lift station bottom cleaning, in the amount of \$5,352.56. A copy of the proposal is included in the operator's report.

Mr. Miller updated the Board on drought contingency measures.

Following review and discussion, Director Evans moved to (1) approve the operator's report; (2) authorize submittal of one account to collections; and (3) approve the proposal for lift station bottom cleaning, as presented. Director Kupstas seconded the motion, which passed by unanimous vote.

The Board concurred to conduct the next regular meeting on October 4, 2023, at 11:30 a.m.

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

Secretary, Board of Directors



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