

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 222

September 19, 2019

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 222 (the "District") met in regular session, open to the public, on the 19th day of September, 2019, at the offices of IDS Engineering Group, 13430 Northwest Freeway, Suite 700, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Teague G. Harris	President
Charles D. "Dale" Kelley	Vice President/Investment Officer
Ronald Chapman	Secretary/Treasurer/Investment Officer
Michael Patrick	Asst. Vice President / Asst. Secretary
Chris Gallagher	Assistant Secretary

and all of the above were present except Director Kelley, thus constituting a quorum.

Also present at the meeting were Wendy Ramirez of BKD, LLP ("BKD"); Treacy Ware of Off Cinco; Kyle Franklin of I.M.S. Landscape Services, Inc. ("I.M.S."); Mike Williams of Municipal Operations & Consulting ("MOC"); Kathy Cruthirds of Tax Tech, Inc. ("Tax Tech"); Wendy Austin of District Data Services, Inc. ("District Data"); David Tinney of LJA Engineering, Inc. ("LJA"); and Greer Pagan (via conference call) and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the August 15, 2019, regular meeting. After review and discussion, Director Patrick moved to approve the minutes of the August 15, 2019, regular meeting. Director Gallagher seconded the motion, which carried by unanimous vote.

INPUT/INQUIRIES FROM DISTRICT CUSTOMERS

Ms. Ware presented and reviewed the proposed website for the District. Discussion ensued.

UPDATE ON CALDWELL DEVELOPMENT PROJECT IN THE DISTRICT

There was no discussion on this agenda item.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2019

Ms. Ramirez presented a proposal for BKD to perform the District's audit for the fiscal year ending September 30, 2019. She stated the estimated fee for preparing the audit will be \$18,400. After review and discussion, Director Chapman moved to engage BKD to conduct

the audit for the fiscal year ending September 30, 2019, and direct that the engagement letter be filed appropriately and retained in the District's official records. Director Patrick seconded the motion, which carried by unanimous vote.

RENEWAL OF INSURANCE POLICIES

The Board reviewed the renewal proposal for the District's insurance and bonds with HARCO Insurance Services ("HARCO") that will expire on September 30, 2019. Discussion ensued regarding insurance on underground lines, the overall price on the property schedule, and obtaining pricing for sewage back up coverage. Following review and discussion, Director Patrick moved to accept the renewal proposal for the District's insurance from HARCO at a cost not to exceed \$11,777, and direct that the proposal be filed appropriately and retained in the District's official records. Director Gallagher seconded the motion, which carried unanimously.

LANDSCAPING AND IMPROVEMENTS TO DISTRICT PROPERTY AND RECREATIONAL FACILITIES

Mr. Franklin presented and reviewed the landscape report, a copy of which is attached.

Mr. Franklin presented and reviewed the 2020 landscape budget. Discussion ensued regarding revisions to the budget.

Mr. Franklin updated the Board on the erosion problem near the east side of the lake near White Oak Bayou bridge. He reported that the work is scheduled to begin the week of September 23, 2019, but may be delayed due to the weather.

Following review and discussion, Director Patrick moved to (1) approve the landscape report; and (2) approve the 2020 landscape budget, as revised. Director Kelley seconded the motion, which passed unanimously.

DISTRICT SECURITY

There was no discussion on this agenda item.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Cruthirds presented and reviewed the tax assessor/collector's report, delinquent tax report, and checks presented for payment from the tax account. Following review and discussion, Director Patrick moved to approve the tax assessor/collector's report and pay the bills from the tax account. Director Gallagher seconded the motion, which passed by unanimous vote. A copy of the tax assessor/collector's report is attached.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Cruthirds stated that Tax Tech published a Notice of Public Hearing stating the District anticipates levying a 2019 tax rate of \$0.315 at this meeting. The Board then opened the public hearing. No members of the public came forward to make comments. The Board then closed the public hearing.

Mr. Pagan reviewed an Order Levying Taxes with a total tax rate of \$0.315 per \$100 of assessed valuation, comprised of \$0.065 for debt service and \$0.25 for maintenance and operations, and an Amendment to Information Form. He stated that the Amendment to Information Form will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County. After review and discussion, Director Patrick moved to take the following action: (1) adopt the Order Levying Taxes reflecting a tax rate of \$0.315 per \$100 of assessed valuation, consisting of \$0.065 for debt service and \$0.25 for maintenance and operations, and direct that the Order be filed appropriately and retained in the District's official records; and (2) authorize execution of the Amendment to Information Form and direct that the Amendment be filed appropriately and retained in the District's official records. Director Chapman seconded the motion, which passed by unanimous vote. The Board confirmed its intention that the 2019 tax levy includes a debt service component for the calendar year ending December 31, 2020, and a maintenance tax component for the fiscal year ending September 30, 2020.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTORS ELECTION FOR HARRIS COUNTY APPRAISAL DISTRICT

The Board considered adopting a Resolution Nominating Candidate to be Placed on the Ballot for the Board of Directors of Harris County Appraisal District. Following discussion, there was no Board action taken.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Austin presented and reviewed the bookkeeper's report, a copy of which is attached, and presented the District's bills for payment. Following review and discussion, Director Patrick moved to approve the bookkeeper's report and payment of the District's bills. Director Chapman seconded the motion, which passed by unanimous vote.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2020

Ms. Austin presented the proposed budget for the fiscal year ending September 30, 2020, a copy of which is attached to the bookkeeper's report. Following review and discussion, Director Patrick moved to adopt the budget for the fiscal year ending September 30, 2020. Director Chapman seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT

Mr. Williams presented and reviewed the operator's report, a copy of which is attached, and summarized maintenance work performed in the District. He stated that last month's water accountability was 96%.

Mr. Williams presented a write-off report of water and sewer accounts deemed to be uncollectible and recommended that one account be turned over to a collection agency. A copy of the write-off report is filed appropriately and retained in the District's official records.

Following review and discussion, Director Chapman moved to (1) approve the operator's report; and (2) authorize MOC to turn over one account totaling \$56.48 deemed to be uncollectible to a collection agency. Director Gallagher seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Williams 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. Following review and discussion, Director Chapman 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 Gallagher seconded the motion, which passed by unanimous vote.

ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

The Board reviewed proposed changes to the District's Drought Contingency Plan. After review and discussion, Director Patrick moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Gallagher seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

Mr. Tinney presented and reviewed the engineer's report, a copy of which is attached, and updated the Board on construction projects in the District.

Following review and discussion, Director Chapman moved to approve the engineer's report. Director Gallagher seconded the motion, which passed unanimously.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

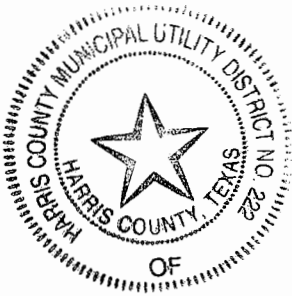
Director Chapman updated the Board on the summary of topics discussed at the NHCRWA meeting.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

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