

MINUTES OF BOARD OF DIRECTORS MEETING  
APRIL 18, 2023

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

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The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 109 (the “*District*”) met in regular session, open to the public, at the Atascocita Waste Water Treatment Plant, 5003 Atascocita Road, Humble, Texas 77346, on April 18, 2023, at 5:30 p.m.; whereupon the roll was called of the Board, to-wit:

Owen H. Parker, President  
Chris Green, Vice President  
Cheryl Moore, Secretary  
Robin Sulpizio, Assistant Secretary  
Nancy A. Frank, Assistant Secretary

All members of the Board were present. Also attending all or parts of the meeting were Sargent J. Morales of Harris County Precinct 4 Constable’s Office; Mr. Cory Burton of Municipal Accounts & Consulting, LP (“MAC”), bookkeeper for the District; Mr. Bill Kotlan of BGE, Inc. (“BGE”), engineer for the District; Mr. Clint Gehrke and Mr. Evan Gehrke of Water Waste Water Management Services, Inc. (“WWWMS”), operator for the District; and Mr. Dimitri Millas, Ms. Leslie Bacon and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District.

**Call to Order.** President Parker called the meeting to order in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as *Exhibit A*, and the following business was transacted:

1. **Public Comments.** There were no public comments.
2. **Minutes.** The Board considered the proposed minutes of meeting held on March 21, 2023, previously distributed to the Board. Upon motion by Director Green, seconded by Director Sulpizio, full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting held on March 21, 2023, as presented.
3. **Security Report.** President Parker recognized Sergeant Morales, who presented to and reviewed with the Board the Security Report for the month of March 2023, a copy of which is attached hereto as *Exhibit B*.
4. **Review Operations Report, authorize repairs, approve termination of delinquent accounts in accordance with the District’s Rate Order.** President Parker recognized Mr. Gehrke, who presented the Operations Report dated April 18, 2023 and a list of delinquent accounts, copies of which are attached hereto as *Exhibit C*. Mr. Gehrke reported that 92.40% of the water pumped was billed for the period March 1, 2023 through March 31, 2023.

Mr. Gehrke reported on various maintenance items.

Mr. Gehrke reviewed the Annual Identity Theft Prevention Theft Prevention Program Report, a copy of which is attached to the Operations Report. He reported that there were no

incidences to report and that WWWMS doesn't recommend any changes at this time.

Mr. Gehrke reviewed a customer letter requesting an adjustment due to a previous high bill. Discussion ensued. It was the consensus of the Board to authorize a payment plan, with half the amount due up front.

Upon motion by Director Moore, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report and to approve termination of the delinquent accounts in accordance with the terms of the District's Rate Order.

**5. Tax Collector's Report and authorize payment of certain bills.** President Parker reviewed the Tax Assessor and Collector's Report for the month of March 2023, a copy of which is attached hereto as *Exhibit D*.

Upon motion by Director Green, seconded by Director Frank, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report and to authorize payment of checks therein, from the Tax Account to the persons, in the amounts, and for the purposes listed therein.

**6. Review Bookkeeper's Report, and authorize payment of certain bills, and approve quarterly investment report.** President Parker recognized Mr. Burton, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as *Exhibit E*.

Upon motion by Director Frank, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and to authorize payment of the checks in the amounts, to the persons, and for the purposes listed therein, to adopt the Bookkeeper's Report as presented.

**7. Engineer's Report.** President Parker recognized Mr. Kotlan, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit F*.

Mr. Kotlan reported on the utility relocations related to the FM 1960 widening and stated that the contractor is installing the water line.

Mr. Kotlan reported on the Water Plant No. 2 Expansion, and stated that BGE is working with the contractor and WWWMS to resolve warranty issues.

Mr. Kotlan reported on the Barents Drive Lift Station. He stated that the City of Houston is requiring a 20-foot easement for the forcemain. He reviewed the Correction Sanitary Sewer Line Easement, a copy of which is attached hereto as *Exhibit G*. He noted that Champions Volleyball has approved the easement.

Mr. Kotlan reported on the Wastewater Treatment Plant and stated that the project is in construction. He stated that the proposed gates are being manufactured and should be available in June.

Mr. Kotlan reported on the Wastewater Treatment Plant Permit Renewal. He stated that the final permit was received this month.

Mr. Kotlan reported on the Lead and Copper Rule Revision Update. He reviewed a summary factsheet, a copy of which is attached hereto as *Exhibit H*. He noted that the deadline for compliance with the lead service line inventory is October 16, 2024.

Upon motion by Director Green, seconded by Director Frank, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Engineer's Report and to approve the Correction Sanitary Sewer Line Easement.

**8. Approve corrected Sanitary Sewer Line Easement and take appropriate action.** This item was addressed under the previous item.

**9. Renew District Insurance Policy and authorize Indemnification of Directors.** The Board reviewed the insurance proposal from Arthur J. Gallagher Waterworks Insurance Network ("WIN"), a copy of which is attached hereto as *Exhibit I*. Mr. Millas reviewed the premium and insurance summary. Discussion ensued.

Mr. Millas presented the Resolution Authorizing Indemnification of Directors (the "Resolution"), a copy of which is attached hereto as *Exhibit J*. He stated that to the extent that Directors are acting in good faith in carrying out their duties, the District may indemnify Directors from losses or costs in connection with lawsuits that are not otherwise covered by the Directors and Officers liability insurance.

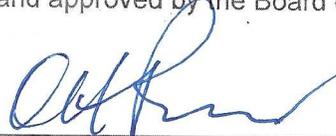
Upon motion by Director Frank, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the insurance Proposal from WIN and the Resolution.

**10. Discuss and consider the District's affiliation with the North Harris County Regional Water Authority, and take any necessary action, and such other matters that may come before the Board.** It was the consensus of the Board to not take any action.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

\* \* \*

The above and foregoing minutes were passed and approved by the Board of Directors on May 16, 2023.



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President, Board of Directors

ATTEST:



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Secretary, Board of Directors

(DISTRICT SEAL)

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

### NOTICE

In accordance with chapter 551, Texas Government Code and Section 49.063, Texas Water Code, both as amended, take notice that the Board of Directors of Harris County Municipal Utility District No. 109 will meet in regular session, open to the public, at **Atascocita Waste Water Treatment Plant, 5003 Atascocita Road, Humble, Texas 77346**, at **5:30 p.m. on Tuesday, April 18, 2023**. At such meeting, the Board will consider and act on the following matters:

1. Public comments;
2. Approve minutes of the meeting held on March 21, 2023;
3. Report by Harris County Precinct Four Constable and take any necessary action;
4. Approve Operations Report, authorize repairs, approve termination of delinquent accounts in accordance with the District's Rate Order;
5. Review Tax Collector's Report and authorize payment of certain bills;
6. Review Bookkeeper's Report, and authorize payment of certain bills, and approve quarterly investment report;
7. Review Engineer's Report, including approval of pay estimates, authorization of change orders to pending construction contracts, proposal for construction materials testing, annexation matters, variance request and authorize capacity commitments;
8. Approve Corrected Sanitary Sewer Line Easement and take appropriate action;
9. Renew District Insurance Policy and authorize indemnification of Directors (expires May 22, 2023);
10. Discuss and consider the District's affiliation with the North Harris County Regional Water Authority, and take any necessary action; and such other matters as may properly come before the Board.



Norton Rose Fulbright US LLP  
Attorneys for District

Exhibit A

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive session of the Board should be held or is required in relation to any agenda item included in this Notice, then such closed or executive meeting or session, as authorized by the Texas Open Meetings Act, will be held by the Board at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by Sections 551.071-551.084 of the Texas Government Code and the Texas Open Meetings Act, including, but not limited to, Section 551.071 - for the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's paralegal at (713) 651-5589 at least three business days prior to the meeting so that appropriate arrangements can be made.

CERTIFICATE OF POSTING NOTICE  
OF MEETING OF BOARD OF DIRECTORS

THE STATE OF TEXAS

§

COUNTY OF HARRIS

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

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I hereby certify that on APR. 13, 2023, I posted the Notice of Meeting of the Board of Directors of Harris County Municipal Utility District No. 109, a true copy of which is attached hereto, at a place convenient to the public in Plexiglas enclosed bulletin boards located on the grounds of the District's Water Plant No. 1 at 5722 Forest Timbers Drive, Water Plant No. 2 at 20322 Burle Oak, Lift Station No. 1 at 19419 Timber Forest Drive, and Lift Station No. 2 at 4630 Springlea, within said political subdivision, as required by law.

EXECUTED this 13<sup>th</sup> day of April, 2023.

  
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## Jane Maher

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**From:** Russell Lambert <russ@texasnetwork.com>  
**Sent:** Wednesday, April 12, 2023 8:22 PM  
**To:** Jane Maher  
**Cc:** The Texas Network; Solana Morton  
**Subject:** RE: 109 & AJOB April Postings

Posted

<https://www.waterdistrict109.com/meetings/index.html>

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**From:** Jane Maher <jane.maher@nortonrosefulbright.com>  
**Sent:** Wednesday, April 12, 2023 2:33 PM  
**To:** Russell Lambert <russ@texasnetwork.com>  
**Cc:** The Texas Network <support@texasnetwork.com>; Solana Morton <solana.morton@nortonrosefulbright.com>  
**Subject:** 109 & AJOB April Postings

Hi Russ,

Please post the attached agendas to 109's website and return the COPs at your earliest convenience.

Thanks,

**Jane Maher** | Senior Paralegal  
Norton Rose Fulbright US LLP  
1301 McKinney, Suite 5100, Houston, Texas 77010-3095, United States  
Tel +1 713 651 5589 | Fax +1 713 651 5246  
jane.maher@nortonrosefulbright.com

## **NORTON ROSE FULBRIGHT**

*Law around the world*  
[nortonrosefulbright.com](https://www.nortonrosefulbright.com)

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# HARRIS COUNTY CONSTABLE, PRECINCT 4

## CONSTABLE MARK HERMAN

*"Proudly Serving the Citizens of Precinct 4"*

6831 Cypresswood Drive ★ Spring, Texas 77379 ★ (281) 376-3472 ★ www.ConstablePct4.com

Monthly Contract Stats

### HARRIS CO MUNICIPAL UTILITY DIST #109

For March 2023

#### Categories

Burglary Habitation: 0	Burglary Vehicle: 2	Theft Habitation: 0
Theft Vehicle: 2	Theft Other: 4	Robbery: 0
Assault: 0	Sexual Assault: 0	Criminal Mischief: 2
Disturbance Family: 2	Disturbance Juvenile: 0	Disturbance Other: 8
Alarms: 18	Suspicious Vehicles: 6	Suspicious Persons: 9
Runaways: 0	Phone Harrassment: 0	Other Calls: 459

#### Detailed Statistics By Deputy

Unit Number	Contract Calls	District Calls	Reports Taken	Felony Arrests	Misd Arrests	Tickets Issued	Recovered Property	Charges Filed	Mileage Driven	Days Worked
E128	40	35	8	0	0	26	0	0	1293	24
E129	63	48	36	2	0	31	64000	9	920	21
E130	28	7	11	1	0	31	0	1	548	13
<b>TOTAL</b>	<b>131</b>	<b>90</b>	<b>55</b>	<b>3</b>	<b>0</b>	<b>88</b>	<b>64000</b>	<b>10</b>	<b>2761</b>	<b>58</b>

#### Summary of Events

##### Alarms:

Deputies responded to 18 alarm calls that were checked and determined to be false.

##### Checks:

Deputies conducted numerous park checks, neighborhood checks, and other miscellaneous checks.

##### Traffic Enforcement:

Deputies conducted numerous traffic stops and traffic initiatives throughout the contract during the month in the interest of public safety, and in an attempt to reduce the risk of motor vehicle accidents.

19300 Timber Forest Dr- Deputy conduct a traffic stop. Investigation revealed the driver was operating a motor vehicle without a valid driver license or proof of financial responsibility.

##### Burglar Motor Vehicle:

20100 Burle Oak Dr- Deputy responded to a burglary motor vehicle. Investigation revealed unknown suspect forced entry, stole tools, and fled undetected.

5500 Deer Timbers Trl- Deputy responded to a burglary motor vehicle. Investigation revealed unknown suspect entered the unlocked vehicle, stole items, and fled undetected.

#### Stolen Vehicle:

19100 Moon Trail Dr- Deputy responded to a stolen vehicle call. Unknown suspect stole the complainant's vehicle and fled undetected.

4500 FM 1960 RD E- Deputy responded to a stolen vehicle call. Unknown suspect stole the complainant's vehicle and fled undetected.

#### Theft Other:

5500 Dove Forest Dr- Deputies responded to a theft type call. Investigation revealed that unknown suspect(s) had stolen the complainant property.

4500 FM 1960 RD E- Deputies responded to a theft type call. Investigation revealed that unknown suspect(s) had stolen the complainant catalytic converter.

5300 Upper Lake Dr- Deputies responded to a theft type call. Investigation revealed that unknown suspect(s) had stolen the complainant leaf blower.

4500 FM 1960 RD E- Deputies responded to a theft type call. Investigation revealed that unknown suspect(s) had stolen the complainant catalytic converter.

#### Criminal Mischief:

6000 River Timber Trl- Deputy responded to a call for service. Investigations revealed that unknown suspect(s) damage complainant property and fled undented.

5500 Fawn Trail Ln- Deputy responded to a call for service. Investigations revealed that unknown suspect(s) damage complainant property and fled undented.

#### Family Disturbance:

5500 Green Timbers Dr- Deputies were dispatched to a family disturbance call. Investigation revealed that two family members were involved in a verbal altercation. No charges.

5900 Ancient Oaks Dr- Deputy was dispatched to a family disturbance. Investigation revealed that juvenile contacted police after mother attempted to rightfully discipline him. No charges

#### Suspicious Vehicle:

Deputies responded to 6 suspicious vehicle calls within the community. All of these incidents were investigated and cleared without further action required.

#### Suspicious Persons:

Deputies responded to 9 suspicious person calls within the community. All of these incidents were investigated and cleared without further action required.

Other:

19900 Bambiwoods Dr- Deputies responded to a suspicious activity. The complainant wanted to report a burglary, but investigation revealed she abandoned animals inside and a neighbor retrieved them to take care of them. No charges filed.

20300 Dawn Mist Dr- Deputies responded to a mental health call. Investigation revealed consumer was having a crisis. Consumer was transported to local hospital for further evaluation.

18400 Heartland Ct- Deputy responded to a fraudulent use ID type call. Investigations revealed that unknown suspect(s) used complainant credit card information.

5400 Dove Forest Dr- Deputy responded to a fraudulent use ID type call. Investigations revealed that unknown suspect(s) used complainant credit card information.

19800 Dawn Mist Dr- Deputy responded to a credit card abuse type call. Investigations revealed that unknown suspect(s) unlawfully used complainant credit card.

5400 Fawn Trail Ln- Deputies responded to a terroristic threat type call. Investigation revealed known suspect threaten complainant during a verbal altercation.

20200 Timber Forest Dr- Deputies responded to a terroristic threat type call. Investigation revealed unknown suspect threaten complainant through a text message.

20100 Dawn Mist Dr- Deputies responded to a terroristic threat type call. Investigation revealed unknown suspect threaten complainant through social media.

20100 Bambiwoods Dr- Deputy located an abandoned vehicle and towed it.

20100 Bambiwoods Dr- Deputy located an abandoned vehicle and towed it.

19100 Moon Trail Dr – Deputy responded to a found property call. Investigation revealed an unknown person left a bag of drugs in a hotel room. The cleaning lady turned it in and it was submitted for destruction.

18400 Atascocita Meadows Dr- Deputy responded to a vehicle recovery call. Investigation revealed complainant located her vehicle that was reported stolen previously.

5500 Deer Timbers Trl- Deputies responded to a trespassing call. Investigation revealed known suspect was trespassing on complainant property. Suspect was issued a formal trespass warning.

5300 Misty Moon Dr – Deputy responded to a disturbance call. Investigation revealed two subjects had a verbal altercation with one party wanted a police report to document it.

5800 Upper Lake Dr.- Deputies were dispatched to location in reference to suspicious person type call. Investigation revealed that several juveniles were located . Humble ISD PD were contacted and took custody of juveniles. MFR report was completed.

6100 Baileys Town Ct.- Deputy was dispatched to a possible fraud type call. Investigation revealed that the complainant received a letter about an outstanding balance from an account she did not have.

5500 Green Timbers Dr – Deputy initiated a follow up investigation to locate a known subject that had warrants. Deputy located male and arrested him.

5800 Upper Lake Dr.- Deputy was dispatched to a welfare check. Investigation revealed that a small child was located without supervision. Family members were located and child was returned.

19700 Big Timber Dr - Deputy responded to take report of a stolen laptop that occurred elsewhere. This report was not included as a "theft other" stat as it did not occur in contract.

**WWWMS, INC.**  
**HARRIS COUNTY MUD # 109**  
**OPERATIONS REPORT**  
**Tuesday, April 18, 2023**

**BILLING AND COLLECTION RECAP:**

**DEPOSITED IN YOUR ACCOUNT LAST MONTH:**

Period Ending:	Mar-23
Deposit:	\$ 9,150.00
Penalty:	\$ 3,860.21
Water:	\$ 48,112.65
Sewer:	\$ 48,830.08
Inspection:	\$ 841.00
Voluntary Fire & EMS:	\$ -
Misc:	\$ 7,905.23
NHCRWA:	\$ 62,372.38
Reconnect:	\$ -
NSF Fee:	\$ 44.00
<b>Total Collections:</b>	<b>\$ 181,115.55</b>

**CURRENT BILLING:**

Period Ending:	Apr-23
Deposit:	\$ -
Penalty:	\$ 3,929.34
Water:	\$ 43,030.97
Sewer:	\$ 53,017.56
Inspection:	\$ 841.00
Voluntary Fire & EMS:	\$ -
Misc:	\$ 3,530.00
NHCRWA:	\$ 78,727.72
<b>Total Billing:</b>	<b>\$ 183,076.59</b>

**CUSTOMER AGED RECEIVABLES:**

30 Day	23%	\$ 41,727.21
60 Day	8%	\$ 15,487.51
90 Day	2%	\$ 3,019.85
120 Day	8%	\$ 13,752.48
Overpayments		\$ (9,617.98)
<b>Total Receivables:</b>		<b>\$ 64,369.07</b>

**HGCSO PERIOD: 3/1/23 THRU 3/31/23**

**Period 6/1/22 thru 5/31/23**

**MONTHLY TOTAL**

Gallons Authorized:	450.000	MG
Current Month Produced:	24.788	MG
Cum. Gallons Produced:	282.259	MG
Auth. Gallons Remaining:	167.741	MG
Avg. Gallons Per Month:	28.226	MG
Permit Months Remaining:	2	

**WATER PLANT OPERATIONS:**

**Period: 3/1/2023 thru 3/31/2023**

**MONTHLY TOTAL**

Production:	24.079	MG
Amount Purchased:	0.000	MG
Total Amount:	24.079	MG
Consumption: (Billed)	20.448	MG
46 I/C & Main breaks	0.000	MG
Maint. / Leaks / Flushing	1.000	MG
Est. Amt. Sold to HC MUD 151	0.800	MG
Total:	22.248	MG
Daily Average Production:	0.777	MG
Percent Accounted For:	92.40%	

**Water line construction on FM 1960**

**NEW METER INSTALLATIONS:**

Residential:	0
Commercial:	0
<b>Total:</b>	<b>0</b>

**CONNECTION COUNT:**

Residential:	2998
Commercial:	116
Clubs/Schools:	1
Irrigation:	19
Vacant:	32
Builders:	24
Vacation:	0
No Bill:	6
	3196
New Finals and Transfers	-37
	<b>3159</b>

**ACCOUNTS SENT TO COLLECTIONS:**

Total of (0)

## HARRIS COUNTY MUD #109

### ACTIVITY REPORT

April 18, 2023

Item 1: Attached Reports are listed as follows:

- A.) Accounts turned over to collections (0).
- B.) Historical data on water production report.
- C.) NHCRWA Pumpage and Billing report for March 2023
- D.) Billing / Recap Summary Report

Item 2: Water Plant 2

- A.) Booster pump #1 motor - scheduled to be pulled for warranty work. No update.
- B.) Working with electrician on PLC alarms. Contractor has set up alarms on auto dialer and PLC.

Item 3: Gulf Coast ACRH Company (FM 1960 East Expansion Project)

- A.) FM 1960 East: Contractor is working on 12-inch water main line flushing and treating new lines. Working with contractors to install TS & valves within the next week.

Item 4: Submitted second quarter of DLQOR.

Item 5: Annual Identity Theft Prevention Program.

- A.) See attached report.

Item 6: Cut off Report / Status on Arrears Account

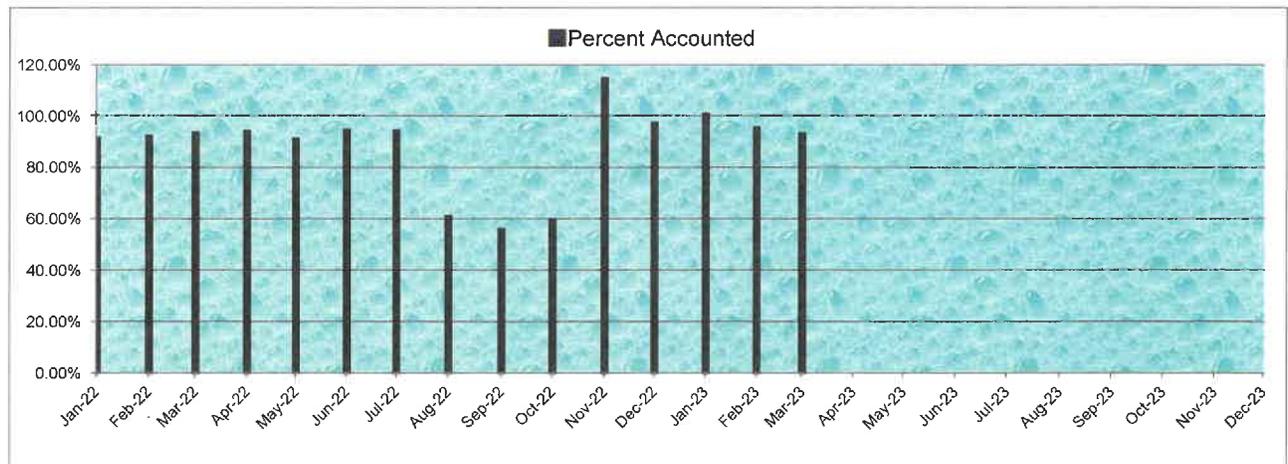
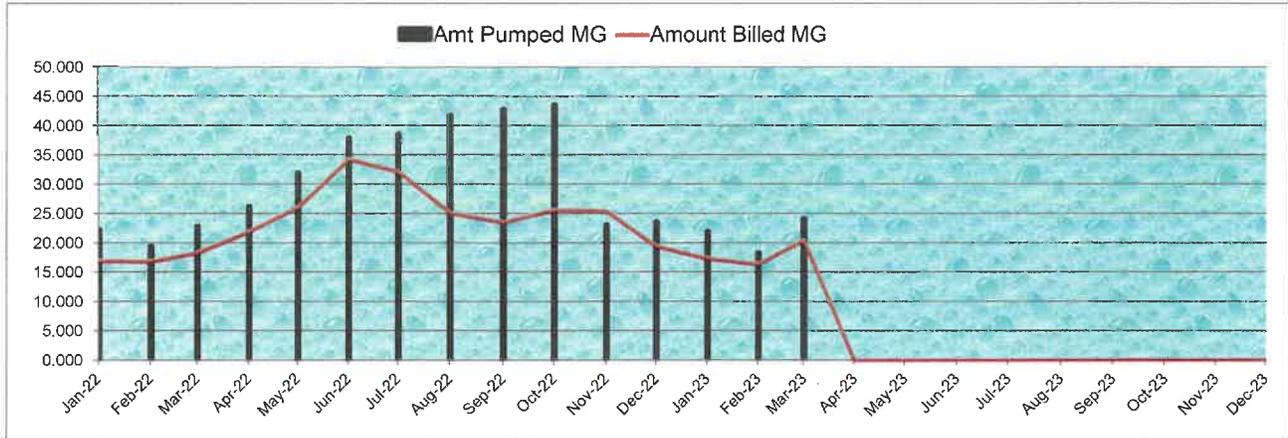
- A.) Door hangers: 4-17-2023
- B.) Due date: 4-5-2023
- C.) Cut offs: 4-20-2023

# HARRIS COUNTY MUD #109

## WATER PRODUCTION REPORT

April 18, 2023

Month /Year	Amt Pumped				Amount HC 151	Total Amount	Percent Accounted
	MG	Amt Billed	MG Maint.	MG			
Jan-22	22.266	16.936	2.500	0.000	0.800	20.236	90.88%
Feb-22	19.401	16.923	0.000	0.000	0.800	17.723	91.35%
Mar-22	22.811	18.373	2.000	0.000	0.800	21.173	92.82%
Apr-22	26.228	21.959	1.700	0.000	0.800	24.459	93.26%
May-22	31.864	26.073	1.900	0.000	0.800	28.773	90.30%
Jun-22	37.878	34.370	0.300	0.000	0.850	35.520	93.77%
Jul-22	38.503	32.204	3.000	0.000	0.800	36.004	93.51%
Aug-22	41.787	25.172	1.500	16.075	0.800	25.172	60.24%
Sep-22	42.716	23.564	1.500	17.652	0.800	23.564	55.16%
Oct-22	43.532	25.661	1.500	17.071	0.800	25.661	58.95%
Nov-22	23.051	25.473	0.000	0.000	0.800	26.273	113.98%
Dec-22	23.603	19.516	2.500	0.000	0.800	22.816	96.67%
Jan-23	21.913	17.401	3.712	0.000	0.800	21.913	100.00%
Feb-23	18.295	16.441	0.100	0.000	0.800	17.341	94.79%
Mar-23	24.079	20.448	1.000	0.000	0.800	22.248	92.40%
Apr-23							
May-23							
Jun-23							
Jul-23							
Aug-23							
Sep-23							
Oct-23							
Nov-23							
Dec-23							
<b>Total</b>	<b>437.927</b>	<b>340.514</b>	<b>23.212</b>	<b>50.798</b>	<b>12.050</b>	<b>368.876</b>	<b>1318.07%</b>
<b>Average</b>	<b>29.195</b>	<b>22.701</b>	<b>1.547</b>	<b>3.387</b>	<b>0.803</b>	<b>24.592</b>	<b>87.87%</b>



**NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY  
Groundwater and/or Surface Water Reporting and Billing Form - 2023**

\*\*\*Report filed online\*\*\* <http://oprs.nhcrwa.com>

Name of Well Owner or Recipient of Surface Water: Harris County MUD 109

*Billing period for which the report is being filed*

Billing Period	Rate per 1,000 gallons	Due Date
March 01-31, 2023	\$4.10 groundwater \$4.55 surface water	May 18, 2023

*Gallons of Groundwater Pumped for Billing Period*

	Start Meter Reading	End Meter Reading	Total
Well #2083	376,006 x1000	399,192 x1000	23,186,000
Well #4448	392,055 x1000	392,948 x1000	893,000
Adjustment			0

*Water imported from outside NHCRWA*

Imported water Meter reading:	Source:		
	x	x	0

*Miscellaneous water (not billed)*

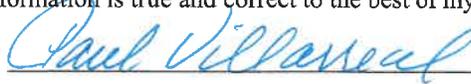
Other entity	Water Type	Direction	Amount
	Groundwater	Out	

1	Enter total gallons of groundwater pumped and/or imported	24,079,000
2	Divide by 1000	24,079
3	Total groundwater fee due (multiply line 2 x \$4.10)	\$98,723.90
4	Enter total gallons of surface water received	0
5	Divide by 1000	0
6	Total surface water fee due (multiply line 5 x \$4.55)	\$0.00
7	Deduct 2003 Capital Contribution Credit amount, if applicable	(\$12,261.25)
8	Deduct 2005 Capital Contribution Credit amount, if applicable	(\$0.00)
9	Deduct 2008 Capital Contribution Credit amount, if applicable	(\$0.00)
10	Deduct Chloramination System Credit or other asset credit, if applicable	(\$0.00)
11	Other Credits:	(\$0.00)
12	Total due	\$86,462.65

If your payment is received late, the Authority will send you an invoice for the late fees set forth in the Rate Order.

I declare that the above information is true and correct to the best of my knowledge and belief.

Date: April 05, 2023

Signed: 

Name: Paul Villarreal

Title: Operator

Make check payable to:

North Harris County Regional Water Authority; Dept. 35, P.O. Box 4346 Houston, Texas 77210-4346

**Please mail this form with the payment or fax to 281-440-4104, phone: 281-440-3924**

[Click here](#) to return to the Home Page.



- 💧 **Water**
- 💧 **WasteWater**
- 💧 **Management**
- 💧 **Services, Inc.**

April 6, 2023

Harris County MUD 109  
Dimitri Millas  
Norton Rose Fulbright US, LLP  
1301 McKinney Suite 5100  
Houston, Texas 77010-1035

Re: Annual Identity Theft Prevention Theft Prevention Program Report

Mr. Millas:

The Identity Theft Prevention Program adopted in April 2009, requires an annual report from the administrator of the program.

### **Annual Report**

Time Period: March 31, 2022 to April 1, 2023

Accounts: New Accounts-290                      Total Accounts-3149

Reports of fraud from customer credit agency: 0

Suspicious Documents: 0

Suspicious Personal Identifying Information: 0

Suspicious Account Activity: 0

WWMS is continuing to perform the following requirements and policies as part of the District's Identity Theft Prevention Program:

#### New Accounts

- Payment of deposit, application fee and service agreement with identification required at our office.
- Customer identification will be verified.
- Driver's license number and last four digits of Social Security number are recorded.
- Require a lease or seller's/buyer's agreement to set up service.
- Multiple names allowed on accounts if both parties' identification is verified.
- Account information is released to accountholder or authorized party only.

Name Change

- Require written correspondence with name change with updated contact information.

Change of Address

- Require written correspondence with address change with updated contact information.

Addition or Removal of Name on Account

- Require written correspondence with name change with updated contact information.

WWMS does not recommend any changes to the Identity Theft Prevention Program.

Sincerely,

Holly Marback  
WWMS, Inc.

# Harris County Municipal Utility District Number 109

## Tax Collector's Report

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March 31, 2023

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# Harris County Municipal Utility District Number 109

## Tax Collector's Report

Current Period Covered: March 1, 2023 to March 31, 2023

Fiscal Year Beginning: June 1, 2022

<u>Cash Receipts and Disbursements</u>	<u>Current Period</u>	<u>Year to Date</u>
Cash Balance at Beginning of Period	\$1,295,563.13	\$359,684.20
Collections:		
2022 Tax Collections	76,217.51	3,557,827.36
2021 Tax Collections	37.04	56,578.99
2020 Tax Collections	0.00	6,547.88
2019 Tax Collections	0.00	3,230.62
2018 Tax Collections	0.00	2,528.81
2017 Tax Collections	0.00	999.65
2016 Tax Collections	0.00	816.45
2015 Tax Collections	0.00	760.61
2014 Tax Collections	0.00	686.74
2013 Tax Collections	0.00	619.59
2015 Tax Collections	0.00	619.59
2011 Tax Collections	0.00	619.59
2010 Tax Collections	0.00	619.59
2009 Tax Collections	0.00	673.80
2008 Tax Collections	0.00	664.60
2007 Tax Collections	0.00	716.60
Special Inventory Tax Collections	0.00	15.67
Penalty and Interest	4,421.49	30,287.91
Tax Attorney Fees	161.76	16,252.54
Overpayments	907.59	18,262.34
Returned Checks	0.00	-984.16
Interest Earned	<u>935.70</u>	<u>3,252.83</u>
Total Collections	82,681.09	3,701,597.60
Disbursements:		
Tax Assessor-Collector Fee	2,855.76	28,567.38
Data Processing Charges	0.00	4,029.60
Tax Attorney Fee	1,053.21	16,192.23
Tax Assessor-Collector Bond	250.00	250.00
Appraisal District Quarterly Fee	6,818.00	26,208.64
Transfer to Debt Service Fund	558,510.64	1,963,164.90
Transfer to Maintenance Account	491,489.36	1,686,835.10
Publication Costs	0.00	845.90
Refund Overpayments	<u>900.00</u>	<u>18,820.80</u>
Total Disbursements	<u>1,061,876.97</u>	<u>3,744,914.55</u>
Cash Balance at End of Period	<u>\$316,367.25</u>	<u>\$316,367.25</u>

# Harris County Municipal Utility District Number 109

## Tax Collector's Report Taxes Receivable Summary as of March 31, 2023

### Taxes Receivable by Year

<u>Year</u>	<u>Adjusted Tax Levy</u>	<u>Collections To Date</u>	<u>Taxes Receivable</u>	<u>Percent Collected</u>
2022	\$3,754,692.26	\$3,557,827.36	\$196,864.90	94.76%
2021	3,382,556.59	3,359,496.08	23,060.51	99.32%
2020	3,164,439.11	3,150,739.26	13,699.85	99.57%
2019	3,081,419.47	3,067,936.38	13,483.09	99.56%
2018	2,906,820.36	2,898,736.30	8,084.06	99.72%
2017	2,895,613.63	2,887,413.78	8,199.85	99.72%
2016	2,808,690.61	2,802,495.88	6,194.73	99.78%
2015	2,573,712.76	2,569,395.25	4,317.51	99.83%
2014	2,301,769.82	2,297,499.32	4,270.50	99.81%
2013	2,097,527.32	2,094,131.49	3,395.83	99.84%
2012	2,071,519.13	2,068,555.04	2,964.09	99.86%
2011	2,121,714.06	2,119,204.35	2,509.71	99.88%
2010	2,138,895.52	2,136,357.45	2,538.07	99.88%
2009	2,160,628.25	2,158,236.79	2,391.46	99.89%
2008	2,142,045.24	2,140,362.08	1,683.16	99.92%
2007	2,084,977.70	2,082,925.07	2,052.63	99.90%
2006	2,108,720.67	2,106,761.21	1,959.46	99.91%
2005	2,197,283.24	2,195,543.57	1,739.67	99.92%
2004	2,010,295.69	2,007,622.69	2,673.00	99.87%
2003	1,863,011.08	1,860,553.66	2,457.42	99.87%
2002	1,743,166.99	1,742,780.89	386.10	99.98%
2001	1,705,006.18	1,704,772.45	233.73	99.99%
2000	1,630,288.09	1,630,151.22	136.87	99.99%
1999	1,482,019.84	1,481,978.10	41.74	100.00%
1998	1,346,040.98	1,345,882.41	158.57	99.99%
1997	1,218,889.39	1,218,854.71	34.68	100.00%
1996	1,156,053.10	1,156,021.00	32.10	100.00%
1995	1,130,565.24	1,130,545.88	19.36	100.00%
1994	1,124,058.85	1,124,058.85	0.00	100.00%
1993	1,075,288.28	1,075,288.28	0.00	100.00%
1992	1,056,792.83	1,056,792.83	0.00	100.00%
1991	1,062,453.27	1,062,453.27	0.00	100.00%
1990	918,308.87	918,308.87	0.00	100.00%
1989	894,403.45	894,403.45	0.00	100.00%
1988	856,779.83	856,779.83	0.00	100.00%
1987	853,204.06	853,204.06	0.00	100.00%
1986	857,037.29	857,037.29	0.00	100.00%
1985	793,674.23	793,674.23	0.00	100.00%
1984	760,460.05	760,460.05	0.00	100.00%
1982	<u>561,303.52</u>	<u>561,303.52</u>	<u>0.00</u>	<u>100.00%</u>
Totals	<u>\$72,092,126.85</u>	<u>\$71,786,544.20</u>	<u>\$305,582.65</u>	<u>99.58%</u>

# Harris County Municipal Utility District Number 109

## Tax Collector's Report Tax Collections for March, 2023

<u>Property Owner</u>	<u>Account No</u>	<u>Tax Amount</u>	<u>Pen &amp; Int</u>	<u>Atty/Cost</u>	<u>Overpaid</u>	<u>Total Pmt</u>
2022 Tax Collections:						
Various Accounts	101 Accounts	<u>\$76,217.51</u>	<u>\$4,411.86</u>	<u>\$152.43</u>	<u>\$907.59</u>	<u>\$81,689.39</u>
Total 2022 Tax Collections		<u>\$76,217.51</u>	<u>\$4,411.86</u>	<u>\$152.43</u>	<u>\$907.59</u>	<u>\$81,689.39</u>
2021 Tax Collections:						
Reese Evelyn M	109-143-000-0004	<u>\$37.04</u>	<u>\$9.63</u>	<u>\$9.33</u>	<u>\$0.00</u>	<u>\$56.00</u>
Total 2021 Tax Collections		<u>\$37.04</u>	<u>\$9.63</u>	<u>\$9.33</u>	<u>\$0.00</u>	<u>\$56.00</u>

Summary of Other Collections	<u>\$4,421.49</u>	<u>\$161.76</u>	<u>\$907.59</u>	\$81,745.39
Interest Earnings				<u>935.70</u>
Total Collected during Month				<u>\$82,681.09</u>

# Harris County Municipal Utility District Number 109

## Tax Collector's Report Taxes Receivable Detail as of March 31, 2023

<u>Property Owner</u>	<u>Account No.</u>	<u>2021 Tax</u>	<u>2020 Tax</u>	<u>2019 Tax</u>	<u>2018 Tax</u>	<u>Prior Yrs</u>
Exchange Church Houston	043-206-000-0195	\$0.00	\$816.49	\$0.00	\$0.00	\$0.00
Wu & Chen Investment LLC	102-063-000-0008	0.00	0.00	248.01	0.00	0.00
D:Vineyard Travis & Danelle	102-065-000-0007	627.44	559.49	552.96	581.84	3,310.66
Q:Alfaro Jesus S	102-067-000-0011	76.44	0.00	0.00	0.00	0.00
D:Gaddis John M	102-068-000-0021	725.87	648.97	758.83	0.00	0.00
D:Catlin Steven L	102-069-000-0004	107.77	97.98	89.07	77.52	0.00
P:Hodge Jerry David	108-488-000-0003	780.19	0.00	0.00	0.00	0.00
Q:Flores Marilu H	108-488-000-0008	214.20	0.00	0.00	0.00	0.00
D:Tolliver Cletis F & Glenda	108-489-000-0011	795.29	728.43	0.00	0.00	0.00
Wilson Rita J	108-494-000-0037	783.72	654.37	0.00	0.00	0.00
Felchak Kenneth W & Ruby	108-496-000-0031	708.44	0.00	0.00	0.00	0.00
Wilson Dewey M	108-497-000-0032	678.39	620.57	603.40	708.16	2,045.11
D:Key Sherry R	109-142-000-0001	599.32	539.39	484.90	360.88	123.40
D:Cartwright Ed & Diane	109-142-000-0034	591.96	591.09	526.44	550.92	4,109.80
P:Reese Evelyn M	109-143-000-0004	224.43	0.00	0.00	0.00	0.00
D:Brokaw Sharon	109-144-000-0002	544.19	0.00	444.96	475.30	1,010.49
Hooper Charles R III	110-750-000-0042	610.02	0.00	0.00	0.00	0.00
S:Riley Michael E & Tamara	110-750-000-0050	687.13	700.92	0.00	0.00	0.00
James Herbert Jr	111-527-000-0004	865.56	0.00	0.00	0.00	0.00
S:Deyle Kurt	111-527-000-0010	740.13	672.85	611.68	234.17	0.00
Barbosa Jose A Jr & Claudia	111-766-000-0024	0.00	201.06	892.05	0.00	0.00
D:Curry Arthur W & Sharon	113-133-000-0008	406.50	0.00	0.00	0.00	0.00
D:Sanchez Olga	113-142-000-0043	284.33	0.00	0.00	0.00	0.00
S:Jackson Keshell	114-139-009-0015	758.96	717.52	652.30	612.80	1,245.34
Chicosky Gregory P	114-139-010-0017	0.00	0.00	563.41	0.00	0.00
Heng Jonathan	114-139-010-0027	681.48	0.00	0.00	0.00	0.00
D:Paxton Roy C & Debbie M	114-139-010-0036	465.25	429.28	379.35	0.00	188.48
Lacour Carey L & Vanita	114-139-013-0053	739.39	688.33	0.00	0.00	0.00
D:Gonzalez Virginia	114-139-015-0003	596.54	547.43	487.49	527.53	488.00
Geibe Virginia	114-139-015-0004	0.00	0.00	477.24	0.00	0.00
D:Cook Julia S	114-139-015-0036	545.68	609.82	432.25	468.45	3,258.19
Walton Gregory L	114-350-014-0012	561.99	0.00	0.00	0.00	0.00
Blow Frederick E & Cheryl	114-350-015-0118	0.00	0.00	0.00	1,036.24	1,057.39
D:Harris Virginia B	114-350-016-0083	955.49	869.22	855.21	868.88	4,941.84
D:Knight Chris & Terry	115-511-019-0012	1,147.98	1,032.72	0.00	0.00	0.00
Mangini Debra D	115-511-021-0031	1,137.35	0.00	0.00	0.00	0.00
S:Mitchem Anna M	115-511-021-0036	0.00	0.00	0.00	258.74	0.00
Rosques Sandra P	116-276-000-0580	0.00	0.00	2,976.58	0.00	0.00
Marendes David K & Joyce	119-848-002-0024	121.99	0.00	0.00	0.00	0.00
Holley Guniganti Kings	120-416-002-0007	26.84	0.00	0.00	0.00	0.00
Keen Jason O	139-765-002-0008	1,530.47	0.00	0.00	0.00	0.00
Rivergrove HOA	18 Accounts	242.21	0.00	0.00	0.00	0.00
Allstate Insurance Company	0435798	62.50	70.06	81.25	0.00	0.00
Digital Professionals Compt	2064780	21.63	21.63	21.63	21.89	135.32
B & L Capital Inc	2154083	19.99	20.08	15.90	24.08	206.42
Kevin R Culp	2157330	41.58	43.58	43.58	46.42	411.16
S:Dupree Express Trucking	2172915	86.07	86.07	86.07	99.37	842.14
Motolease Financial LLC	2200564	13.63	16.50	21.52	0.00	0.00
ARC Insurance Agency	2209050	43.75	43.75	43.75	44.66	140.35
S:James Lewis	2213148	16.57	24.50	31.25	39.75	298.50
Phones-R-Us Inc	2289501	54.29	54.29	54.29	54.59	0.00
Tomas A Arden Landaverde	2313791	85.23	0.00	0.00	0.00	0.00
Serenty Health Services LLC	2337347	30.91	40.32	0.00	0.00	0.00

# Harris County Municipal Utility District Number 109

## Tax Collector's Report Taxes Receivable Detail as of March 31, 2023

<u>Property Owner</u>	<u>Account No.</u>	<u>2021 Tax</u>	<u>2020 Tax</u>	<u>2019 Tax</u>	<u>2018 Tax</u>	<u>0.00</u>
Gabriel Martinez	2338191	96.76	0.00	0.00	0.00	0.00
Amfah Investments LLC	2343023	210.67	175.29	0.00	0.00	0.00
Spoiled Mutts	2343180	90.26	90.26	0.00	0.00	0.00
Di Maria Fresh Food	2343249	121.47	0.00	0.00	0.00	0.00
CRT Services	2343848	748.80	0.00	0.00	0.00	0.00
Fresh Ink Media Group	2344047	54.92	54.92	0.00	0.00	0.00
Adorn Tattoo	2344404	18.40	18.40	0.00	0.00	0.00
Cobos BBQ LLC	2352871	146.40	146.40	0.00	0.00	0.00
All Me Hotshot Logistics	2353748	87.38	0.00	0.00	0.00	0.00
Ismeal Anaya	2363334	226.80	287.85	0.00	0.00	0.00
Prior Years Personal Property		<u>219.56</u>	<u>780.02</u>	<u>1,047.72</u>	<u>991.87</u>	<u>26,087.56</u>
Total Receivable		<u>\$23,060.51</u>	<u>\$13,699.85</u>	<u>\$13,483.09</u>	<u>\$8,084.06</u>	<u>49,900.15</u>



MUNICIPAL ACCOUNTS  
& CONSULTING, L.P.

**Bookkeeper's Report | April 18, 2023**

# **Harris County Municipal Utility District No. 109**

Exhibit E



**WEBSITE**

[www.municipalaccounts.com](http://www.municipalaccounts.com)



**ADDRESS**

1281 Brittmoores Road  
Houston, Texas 77043



**CONTACT**

Phone: 713.623.4539  
Fax: 713.629.6859

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## Spotlight On Funding Your Capital Improvements Plan (CIP)

What is it and why is it important? Your CIP is a tool for planning how your District will pay for maintenance, repairs, new construction and unexpected projects that come up over the next 5-20 year period. Will you issue Bonds? Do you have Operating reserves & surplus funds? Can you utilize your Maintenance & Operations tax and Water and Wastewater revenues? What action do you need to take now to be prepared 5 years down the line? Working with your Engineer to prepare this plan enables the District to determine its financial needs and plan accordingly.

Bonds Summary		Most Recent Audited Revenue Sources		General Operating Reserves
Water, Sewer, Drainage	Park, Roads, Other	Maximum Approved M&O Rate	\$1.00	Operating Fund Balance \$5,274,250
<b>Total Authorized</b> \$61.8M	<b>Total Authorized</b> N/A	Audited M&O Rate	\$0.19	
		Audited M&O Revenue	\$1.4M	Total Expenditures Excluding Capital Costs \$3,565,354
<b>Total Issued</b> \$48.9M	<b>Total Issued</b> N/A	Audited Retail Service Rate Per 10,000 gallons	\$69.50	
		Audited Water/Wastewater Revenue	\$2.3M	
\$Available to Issue \$13.0M	\$Available to Issue \$0.0K	Audited Sales Tax Revenue	\$94.4K	18.7 Months

### Account Balance | As of 04/18/2023

■ General Operating	■ Capital Projects	■ Debt Service
\$5,274,250	\$334,153	\$2,894,465

**Total For All Accounts: \$8,502,869**

### Account Balance By Month | April 2022 - March 2023



# Monthly Financial Summary - General Operating Fund

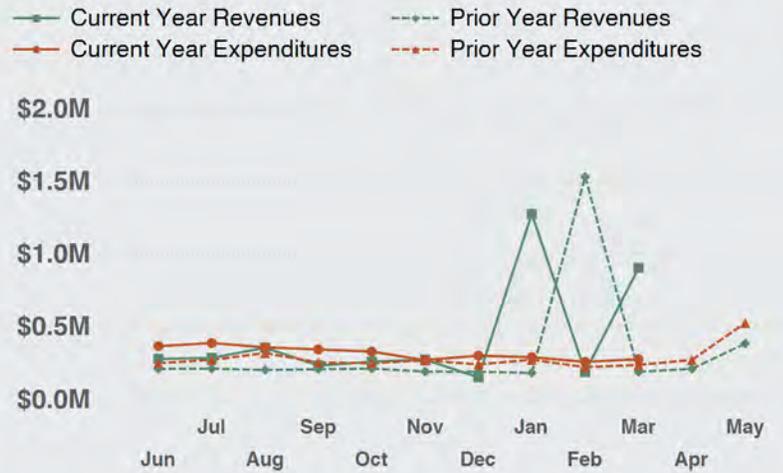
Harris County MUD No. 109 - GOF



## Account Balance Summary

<b>Balance as of 03/22/2023</b>	<b>\$4,682,178</b>
Receipts	1,169,060
Disbursements	(576,988)
<b>Balance as of 04/18/2023</b>	<b>\$5,274,250</b>

## Overall Revenues & Expenditures By Month (Year to Date)



## March 2023

### Revenues

Actual	Budget	Over/(Under)
\$911,571	\$204,182	\$707,388

### Expenditures

Actual	Budget	Over/(Under)
\$283,101	\$272,631	\$10,470

## June 2022 - March 2023 (Year to Date)

### Revenues

Actual	Budget	Over/(Under)
\$4,274,778	\$3,623,296	\$651,482

### Expenditures

Actual	Budget	Over/(Under)
\$3,247,317	\$3,020,404	\$226,913

## Operating Fund Reserve Coverage Ratio (In Months)



# Cash Flow Report - Checking Account

Harris County MUD No. 109 - GOF



Number	Name	Memo	Amount	Balance
<b>Balance as of 03/22/2023</b>				<b>\$6,612.77</b>
<b>Receipts</b>				
	Wire Transfer from Money Market		7,000.00	
	HC 151 Water Supply		2,595.90	
	HC 46 Water Supply		197,288.00	
	Interest Earned on Checking		146.95	
	Sweep from Lockbox Account		179,890.36	
	City of Houston - Sales Tax Rebate		6,881.06	
<b>Total Receipts</b>				<b>\$393,802.27</b>

## Disbursements

15969	Association of Water Board Directors	VOID: AWBD Conference Registration	0.00
15987	Brightspeed	Telephone Expense	(900.23)
15988	Centerpoint Energy	Utilities Expense	(266.59)
15989	Owen H. Parker	Fees of Office - 03/20/2023	(138.53)
15990	Harris County MUD No. 151	Water Service Line Repairs and	(8,235.41)
15991	Cheryl C. Moore	Fees of Office - 04/18/2023	(138.52)
15992	Chris Green	Fees of Office - 04/18/2023	(138.52)
15993	Nancy Frank	Fees of Office - 04/18/2023	(138.53)
15994	Owen H. Parker	Fees of Office - 04/18/2023	(138.52)
15995	Robin Sulpizio	Fees of Office - 04/18/2023	(138.52)
15996	Cheryl C. Moore	Expense	(29.95)
15997	Chris Green	Fees of Office - 3/6 & 4/3/2023 &	(341.35)
15998	Nancy Frank	Expense	(86.26)
15999	Owen H. Parker	Fees of Office - 3/27-4/6/2023 & Expense	(594.34)
16000	Robin Sulpizio	Expense	(65.00)
16001	United States Treasury	Quarterly Payroll Taxes	(1,033.76)
16002	Alvaro & Maria Espino	Deposit Refund	(86.61)
16003	Brad Hart	Deposit Refund	(41.12)
16004	Cory Lindsey	Deposit Refund	(112.01)
16005	Dustin Long	Deposit Refund	(193.06)
16006	Evans & Marks Ventures, LLC	Overpayment Refund	(68.27)
16007	Geneva Munoz & Aric Reza	Deposit Refund	(133.45)
16008	Gregg Kite	Deposit Refund	(96.84)
16009	John David Haydon	Deposit Refund	(134.69)
16010	Kassandra Santiago	Deposit Refund	(187.20)
16011	Krystle & Rolando Ramirez	Deposit Refund	(96.63)
16012	Monica Bossier	Deposit Refund	(20.06)
16013	Opendoor Property Trust I	Deposit Refund	(190.00)
16014	Robert & Lewanna Irvin	Deposit Refund	(70.16)
16015	Utility Network Solutions, LLC	Deposit Refund	(944.36)
16016	Wendy Aiken	Deposit Refund	(65.08)
16017	Atascocita Joint Operations Board	Schedule B & C Costs	(42,964.27)

# Cash Flow Report - Checking Account

Harris County MUD No. 109 - GOF



Number	Name	Memo	Amount	Balance
<b>Disbursements</b>				
16018	CDC Unlimited, LLC	Mowing Expense	(697.50)	
16019	Chlorinator Maint. Co., Inc.	Maintenance and Operations	(568.50)	
16020	DSHS Central Lab MC2004	Laboratory Expense	(1,941.62)	
16021	DXI Industries	Chemical Expenses	(130.00)	
16022	Eastex Environmental Laboratory	Laboratory Expense	(200.00)	
16023	ELS Concrete & Landscaping	Maintenance and Operations	(19,046.00)	
16024	GFL Environmental	Garbage Expense	(2,022.89)	
16025	Harris County Treasurer	Patrol Services	(19,400.00)	
16026	Hawkins, Inc	Chemicals Expense	(3,289.50)	
16027	Hudson Energy	Utilities Expense	(9,564.41)	
16028	Municipal Accounts & Consulting, L.P.	Bookkeeping Fees	(5,115.59)	
16029	NHCRWA	Water Authority Fees	(86,462.65)	
16030	Norton Rose Fulbright US LLP	Legal Fees	(5,183.56)	
16031	The Texas Network, LLC	Website Maintenance Fees	(400.00)	
16032	Today's Integration	Security Monitoring	(352.00)	
16033	Uline, Inc.	Supplies Expense	(221.86)	
16034	USA Bluebook	Chemicals	(153.78)	
16035	Water Utility Services, Inc.	Laboratory Fees	(470.00)	
16036	WWWMS	Maintenance and Operations	(85,217.88)	
16037	BGE, Inc.	Engineering Fees	(11,687.92)	
16038	Brightspeed	Telephone Expense	0.00	
16039	Centerpoint Energy	Utilities Expense	0.00	
Fee	Central Bank	Service Charge	(40.00)	
Wire	Central Bank	Wire Transfer to Money Market	(80,000.00)	
<b>Total Disbursements</b>			<b>(\$389,953.50)</b>	
<b>Balance as of 04/18/2023</b>				<b>\$10,461.54</b>

# Cash Flow Report - Operator Account

Harris County MUD No. 109 - GOF



Number	Name	Memo	Amount	Balance
<b>Balance as of 03/22/2023</b>				<b>\$120,846.81</b>
<b>Receipts</b>				
	Accounts Receivable		86,634.61	
	Accounts Receivable		94,480.94	
	Tap Connections (3)		4,665.00	
<b>Total Receipts</b>				<b>\$185,780.55</b>
<b>Disbursements</b>				
Fee	Central Bank	Service Charge	(40.00)	
Ret Ck	Central Bank	Customer Returned Check (2)	(104.20)	
Sweep	Harris County MUD 109	Transfer to Checking Account	(179,890.36)	
<b>Total Disbursements</b>				<b>(\$180,034.56)</b>
<b>Balance as of 04/18/2023</b>				<b>\$126,592.80</b>

# Actual vs. Budget Comparison

Harris County MUD No. 109 - GOF



	March 2023			June 2022 - March 2023			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
<b>Revenues</b>							
<b>Water Revenue</b>							
14101 Water- Customer Service Revenue	46,624	35,700	10,924	476,573	418,200	58,373	510,000
14102 Surface Water - Reserve	80,658	86,772	(6,114)	1,035,339	1,016,472	18,867	1,239,600
14105 Connection Fees	2,625	2,008	617	25,350	20,083	5,267	24,100
14107 Water Interconnect - HC 46	197,288	0	197,288	197,288	0	197,288	0
14108 Water Sales to HC 151	579	1,008	(429)	11,187	10,083	1,104	12,100
<b>Total Water Revenue</b>	<b>327,775</b>	<b>125,489</b>	<b>202,286</b>	<b>1,745,737</b>	<b>1,464,839</b>	<b>280,899</b>	<b>1,785,800</b>
<b>Wastewater Revenue</b>							
14201 Wastewater-Customer Service Rev	53,221	51,492	1,730	544,524	514,917	29,607	617,900
14206 Capacity Sale - HC 494	0	0	0	8,761	0	8,761	0
<b>Total Wastewater Revenue</b>	<b>53,221</b>	<b>51,492</b>	<b>1,730</b>	<b>553,285</b>	<b>514,917</b>	<b>38,368</b>	<b>617,900</b>
<b>Property Tax Revenue</b>							
14301 Maintenance Tax Collections	491,489	6,775	484,714	1,686,835	1,446,483	240,352	1,446,483
<b>Total Property Tax Revenue</b>	<b>491,489</b>	<b>6,775</b>	<b>484,714</b>	<b>1,686,835</b>	<b>1,446,483</b>	<b>240,352</b>	<b>1,446,483</b>
<b>Sales Tax Revenue</b>							
14401 COH Rebate	7,881	8,654	(773)	80,774	79,327	1,447	94,200
<b>Total Sales Tax Revenue</b>	<b>7,881</b>	<b>8,654</b>	<b>(773)</b>	<b>80,774</b>	<b>79,327</b>	<b>1,447</b>	<b>94,200</b>
<b>Tap Connection Revenue</b>							
14501 Tap Connections	4,665	1,250	3,415	20,440	12,500	7,940	15,000
14502 Inspection Fees	841	900	(59)	8,050	9,000	(950)	10,800
<b>Total Tap Connection Revenue</b>	<b>5,506</b>	<b>2,150</b>	<b>3,356</b>	<b>28,490</b>	<b>21,500</b>	<b>6,990</b>	<b>25,800</b>
<b>Administrative Revenue</b>							
14702 Penalties & Interest	7,564	6,000	1,564	79,361	60,000	19,361	72,000
<b>Total Administrative Revenue</b>	<b>7,564</b>	<b>6,000</b>	<b>1,564</b>	<b>79,361</b>	<b>60,000</b>	<b>19,361</b>	<b>72,000</b>
<b>Interest Revenue</b>							
14801 Interest Earned on Checking	147	2	145	1,960	17	1,944	20
14802 Interest Earned on Temp. Invest	17,988	3,521	14,466	97,743	35,214	62,529	42,257
<b>Total Interest Revenue</b>	<b>18,135</b>	<b>3,523</b>	<b>14,612</b>	<b>99,704</b>	<b>35,231</b>	<b>64,473</b>	<b>42,277</b>
<b>Other Revenue</b>							
15801 Miscellaneous Income	0	100	(100)	592	1,000	(408)	1,200
<b>Total Other Revenue</b>	<b>0</b>	<b>100</b>	<b>(100)</b>	<b>592</b>	<b>1,000</b>	<b>(408)</b>	<b>1,200</b>
<b>Total Revenues</b>	<b>911,571</b>	<b>204,182</b>	<b>707,388</b>	<b>4,274,778</b>	<b>3,623,296</b>	<b>651,482</b>	<b>4,085,660</b>

# Actual vs. Budget Comparison

Harris County MUD No. 109 - GOF



	March 2023			June 2022 - March 2023			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
<b>Expenditures</b>							
<b>Water Service</b>							
16102 Operations - Water	9,379	9,100	279	93,548	91,000	2,548	109,200
16105 Maintenance & Repairs - Water	65,960	21,817	44,143	406,689	218,167	188,522	261,800
16107 Chemicals - Water	3,443	3,992	(548)	62,536	39,917	22,620	47,900
16108 Laboratory Expense - Water	980	367	613	6,305	3,667	2,638	4,400
16109 Mowing - Water	1,171	1,117	55	11,202	11,167	35	13,400
16110 Utilities - Water	8,423	8,100	323	87,902	81,000	6,902	97,200
16111 Reconnections	1,160	867	293	8,995	8,667	328	10,400
16112 Disconnection Expense	315	233	82	4,020	2,333	1,687	2,800
16113 Service Account Collection	2,511	3,117	(606)	25,191	31,167	(5,976)	37,400
16114 Telephone Expense - Water	448	417	31	4,684	4,167	517	5,000
16116 Permit Expense - Water	0	0	0	7,666	7,200	466	7,200
16117 TCEQ Regulatory Expense - Water	0	0	0	1,762	2,800	(1,038)	2,800
16118 Surface Water Fee	86,463	110,096	(23,633)	1,350,800	1,289,696	61,104	1,572,800
<b>Total Water Service</b>	<b>180,252</b>	<b>159,221</b>	<b>21,031</b>	<b>2,071,300</b>	<b>1,790,946</b>	<b>280,354</b>	<b>2,172,300</b>
<b>Wastewater Service</b>							
16202 Operations - Wastewater	2,336	2,367	(31)	23,233	23,667	(434)	28,400
16204 Purchase Wastewater Service	43,210	45,625	(2,415)	400,954	456,250	(55,296)	547,500
16205 Maint & Repairs - Wastewater	12,073	15,800	(3,727)	155,739	158,000	(2,261)	189,600
16207 Chemicals - Wastewater	0	58	(58)	4,197	583	3,614	700
16208 Laboratory Fees - Wastewater	915	75	840	2,472	750	1,722	900
16209 Mowing - Wastewater	693	1,000	(307)	9,632	10,000	(368)	12,000
16210 Utilities - Lift Station	1,408	1,500	(92)	21,012	15,000	6,012	18,000
16214 Telephone Expense - Wastewater	452	417	36	4,480	4,167	313	5,000
16217 TCEQ Regulatory Exp-Wastewater	0	0	0	1,762	2,800	(1,038)	2,800
<b>Total Wastewater Service</b>	<b>61,088</b>	<b>66,842</b>	<b>(5,754)</b>	<b>623,480</b>	<b>671,217</b>	<b>(47,737)</b>	<b>804,900</b>
<b>Garbage Service</b>							
16301 Garbage Expense	1,161	358	802	6,391	3,583	2,807	4,300
<b>Total Garbage Service</b>	<b>1,161</b>	<b>358</b>	<b>802</b>	<b>6,391</b>	<b>3,583</b>	<b>2,807</b>	<b>4,300</b>
<b>Tap Connection</b>							
16501 Tap Connection Expense	0	583	(583)	5,198	5,833	(635)	7,000
16502 Inspection Expense	1,212	300	912	11,201	3,000	8,201	3,600
<b>Total Tap Connection</b>	<b>1,212</b>	<b>883</b>	<b>329</b>	<b>16,399</b>	<b>8,833</b>	<b>7,566</b>	<b>10,600</b>
<b>Administrative Service</b>							
16703 Legal Fees	5,149	5,283	(135)	48,206	52,833	(4,627)	63,400
16705 Auditing Fees	0	0	0	17,500	16,800	700	16,800
16706 Engineering Fees	1,926	6,667	(4,741)	32,604	66,667	(34,063)	80,000
16708 GIS Expense	0	167	(167)	0	1,667	(1,667)	2,000

# Actual vs. Budget Comparison

Harris County MUD No. 109 - GOF



	March 2023			June 2022 - March 2023			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
<b>Expenditures</b>							
<b>Administrative Service</b>							
16710 Website Expense	0	58	(58)	588	583	4	700
16712 Bookkeeping Fees	4,846	2,800	2,046	45,883	34,400	11,483	40,000
16714 Printing & Office Supplies	2,475	2,433	42	24,379	24,333	46	29,200
16716 Delivery Expense	6	108	(102)	223	1,083	(861)	1,300
16717 Postage	47	2,825	(2,778)	549	28,250	(27,701)	33,900
16718 Insurance & Surety Bond	0	0	0	0	0	0	31,000
16719 AWBD Expense	0	0	0	11,766	7,800	3,966	7,800
16722 Bank Service Charges	80	100	(20)	855	1,000	(145)	1,200
16723 Travel Expense	35	8	26	1,220	83	1,136	100
16727 Arbitrage Expense	0	0	0	1,650	1,500	150	3,250
16728 Record Storage Fees	26	0	26	149	0	149	0
<b>Total Administrative Service</b>	<b>14,589</b>	<b>20,450</b>	<b>(5,861)</b>	<b>185,571</b>	<b>237,000</b>	<b>(51,429)</b>	<b>310,650</b>
<b>Security Service</b>							
16801 Security Patrol Expense	19,400	18,592	808	190,767	185,920	4,847	223,104
16802 Security Monitoring	0	858	(858)	40,057	8,583	31,473	10,300
<b>Total Security Service</b>	<b>19,400</b>	<b>19,450</b>	<b>(50)</b>	<b>230,824</b>	<b>194,503</b>	<b>36,320</b>	<b>233,404</b>
<b>Payroll Expense</b>							
17101 Payroll Expenses	2,099	2,083	16	19,377	20,833	(1,456)	25,000
<b>Total Payroll Expense</b>	<b>2,099</b>	<b>2,083</b>	<b>16</b>	<b>19,377</b>	<b>20,833</b>	<b>(1,456)</b>	<b>25,000</b>
<b>Other Expense</b>							
17802 Miscellaneous Expense	307	350	(43)	2,845	3,500	(655)	4,200
<b>Total Other Expense</b>	<b>307</b>	<b>350</b>	<b>(43)</b>	<b>2,845</b>	<b>3,500</b>	<b>(655)</b>	<b>4,200</b>
<b>Total Expenditures</b>	<b>280,108</b>	<b>269,638</b>	<b>10,470</b>	<b>3,156,187</b>	<b>2,930,416</b>	<b>225,771</b>	<b>3,565,354</b>
<b>Total Revenues (Expenditures)</b>	<b>631,463</b>	<b>(65,456)</b>	<b>696,918</b>	<b>1,118,591</b>	<b>692,880</b>	<b>425,711</b>	<b>520,306</b>
<b>Other Revenues</b>							
<b>Extra Ordinary Revenue</b>							
15901 Transfer from Operating Reserve	0	0	0	0	0	0	29,694
<b>Total Extra Ordinary Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,694</b>
<b>Total Other Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,694</b>
<b>Other Expenditures</b>							
<b>Capital Outlay</b>							
17901 Capital Outlay	2,993	2,993	0	89,988	89,988	0	550,000

# Actual vs. Budget Comparison

Harris County MUD No. 109 - GOF



	March 2023			June 2022 - March 2023			Annual Budget
	Actual	Budget	Over/ (Under)	Actual	Budget	Over/ (Under)	
<b>Other Expenditures</b>							
<b>Capital Outlay</b>							
17904 Capital Outlay - Barents Dr L/S	0	0	0	1,142	0	1,142	0
<b>Total Capital Outlay</b>	<b>2,993</b>	<b>2,993</b>	<b>0</b>	<b>91,130</b>	<b>89,988</b>	<b>1,142</b>	<b>550,000</b>
<b>Total Other Expenditures</b>	<b>2,993</b>	<b>2,993</b>	<b>0</b>	<b>91,130</b>	<b>89,988</b>	<b>1,142</b>	<b>550,000</b>
<b>Total Other Revenues (Expenditures)</b>	<b>(2,993)</b>	<b>(2,993)</b>	<b>0</b>	<b>(91,130)</b>	<b>(89,988)</b>	<b>(1,142)</b>	<b>(520,306)</b>
<b>Excess Revenues (Expenditures)</b>	<b>628,470</b>	<b>(68,449)</b>	<b>696,918</b>	<b>1,027,461</b>	<b>602,892</b>	<b>424,569</b>	<b>0</b>

# Balance Sheet as of 03/31/2023

Harris County MUD No. 109 - GOF



## Assets

### Bank

11101 Cash in Bank	\$384,220
11102 Operator	126,593
<b>Total Bank</b>	<b>\$510,813</b>

### Investments

11201 Time Deposits	\$5,057,196
<b>Total Investments</b>	<b>\$5,057,196</b>

### Receivables

11301 Accounts Receivable	\$225,616
11303 Maintenance Tax Receivable	62,918
11305 Accrued Interest	2,518
11306 Due From COH	24,406
<b>Total Receivables</b>	<b>\$315,458</b>

### Interfund Receivables

11403 Due From Tax Account	\$521,561
<b>Total Interfund Receivables</b>	<b>\$521,561</b>

### Reserves

11601 Reserve in A.C.P.	\$263,420
<b>Total Reserves</b>	<b>\$263,420</b>

## Total Assets

**\$6,668,447**

## Liabilities & Equity

### Liabilities

#### Accounts Payable

12101 Accounts Payable	\$194,005
12102 Payroll Liabilities	1,034
<b>Total Accounts Payable</b>	<b>\$195,039</b>

#### Other Current Liabilities

12201 Unclaimed Property	\$3,626
<b>Total Other Current Liabilities</b>	<b>\$3,626</b>

#### Deferrals

12502 Deferred Taxes	\$62,918
<b>Total Deferrals</b>	<b>\$62,918</b>

#### Deposits

12601 Customer Meter Deposits	\$298,146
12603 Lee Annexation	(867)
12604 Barents Annexation	(27,880)
12606 Zimmerman Properties - 9 acre	503

# Balance Sheet as of 03/31/2023

Harris County MUD No. 109 - GOF



## Liabilities & Equity

Liabilities	
Deposits	
12607 Madden Tract	172
Total Deposits	<u>\$270,074</u>
<b>Total Liabilities</b>	<u>\$531,657</u>
Equity	
Unassigned Fund Balance	
13101 Unallocated Fund Balance	\$5,109,329
Total Unassigned Fund Balance	<u>\$5,109,329</u>
Net Income	<u>\$1,027,461</u>
<b>Total Equity</b>	<u>\$6,136,790</u>
<b>Total Liabilities &amp; Equity</b>	<u><u>\$6,668,447</u></u>

# Monthly Financial Summary - Capital Projects Fund

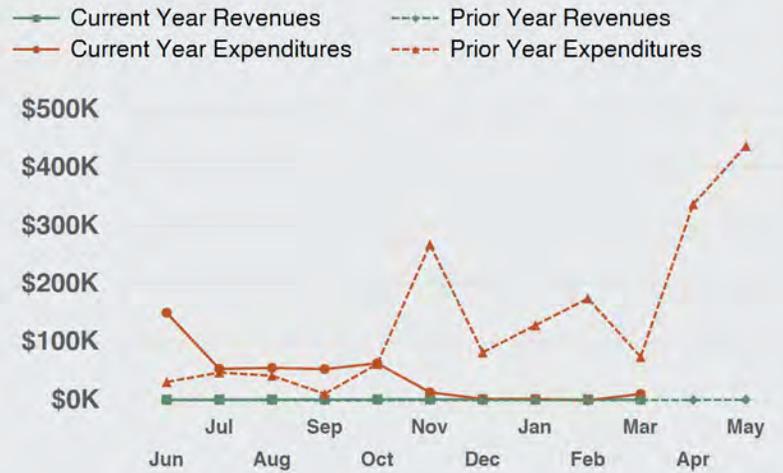
Harris County MUD No. 109 - CPF



## Account Balance Summary

<b>Balance as of 03/22/2023</b>	<b>\$352,760</b>
Receipts	21,483
Disbursements	(40,090)
<b>Balance as of 04/18/2023</b>	<b>\$334,153</b>

## Overall Revenues & Expenditures By Month (Year to Date)



## Account Balance By Month | April 2022 - March 2023



# Cash Flow Report - Checking Account

Harris County MUD No. 109 - CPF



Number	Name	Memo	Amount	Balance
<b>Balance as of 03/22/2023</b>				<b>\$200.00</b>
<b>Receipts</b>				
	Series 2017 - Wire Transfer from Money		20,024.86	
<b>Total Receipts</b>				<b>\$20,024.86</b>
<b>Disbursements</b>				
2034	Schier Construction Company, Inc.	Change Order #7 - Water Plant No. 2	(10,800.00)	
2035	BGE, Inc.	Engineering - WP2 Construction	(9,224.86)	
Svc Chrg	Central Bank	Service Charge	(40.00)	
<b>Total Disbursements</b>				<b>(\$20,064.86)</b>
<b>Balance as of 04/18/2023</b>				<b>\$160.00</b>

# District Debt Summary as of 04/18/2023

Harris County MUD No. 109 - DSF



		WATER, SEWER, DRAINAGE	PARK/ROAD/OTHER	REFUNDING
<b>Total \$ Authorized</b>		<b>Authorized</b>	<b>Authorized</b>	<b>Authorized</b>
\$61.83M		\$61.83M	N/A	\$32.73M
<b>Total \$ Issued</b>		<b>Issued</b>	<b>Issued</b>	<b>Issued</b>
\$48.88M		\$48.88M	N/A	\$1.06M
<b>Yrs to Mat</b>	<b>Rating</b>	<b>\$ Available To Issue</b>	<b>\$ Available To Issue</b>	<b>\$ Available To Issue</b>
17	AA	\$12.95M	N/A	\$31.67M

\*Actual 'Outstanding' Refunding Bonds issued below may differ from the 'Issued' total above pursuant to Chapter 1207, Texas Government Code.

## Outstanding Debt Breakdown

Series Issued	Original Bonds Issued	Maturity Date	Principal Outstanding
2021 - Refunding	\$3,705,000	2029	\$3,685,000
2017 - WS&D	\$12,100,000	2041	\$11,290,000
2015 - Refunding	\$5,920,000	2030	\$5,425,000
<b>Total</b>	<b>\$21,725,000</b>		<b>\$20,400,000</b>

# District Debt Schedule

Harris County MUD No. 109 - DSF



Paying Agent	Series	Principal	Interest	Total
Bank of New York	2021 - Refunding	\$790,000.00	\$49,125.00	\$839,125.00
Bank of New York	2017 - WS&D	\$440,000.00	\$182,071.88	\$622,071.88
Regions Bank	2015 - Refunding	\$225,000.00	\$70,308.00	\$295,308.00
<b>Total Due 10/01/2023</b>		<b>\$1,455,000.00</b>	<b>\$301,504.88</b>	<b>\$1,756,504.88</b>

Paying Agent	Series	Principal	Interest	Total
Bank of New York	2021 - Refunding	\$0.00	\$37,275.00	\$37,275.00
Bank of New York	2017 - WS&D	\$0.00	\$177,671.88	\$177,671.88
Regions Bank	2015 - Refunding	\$0.00	\$67,392.00	\$67,392.00
<b>Total Due 04/01/2024</b>		<b>\$0.00</b>	<b>\$282,338.88</b>	<b>\$282,338.88</b>

# Investment Profile as of 04/18/2023

Harris County MUD No. 109

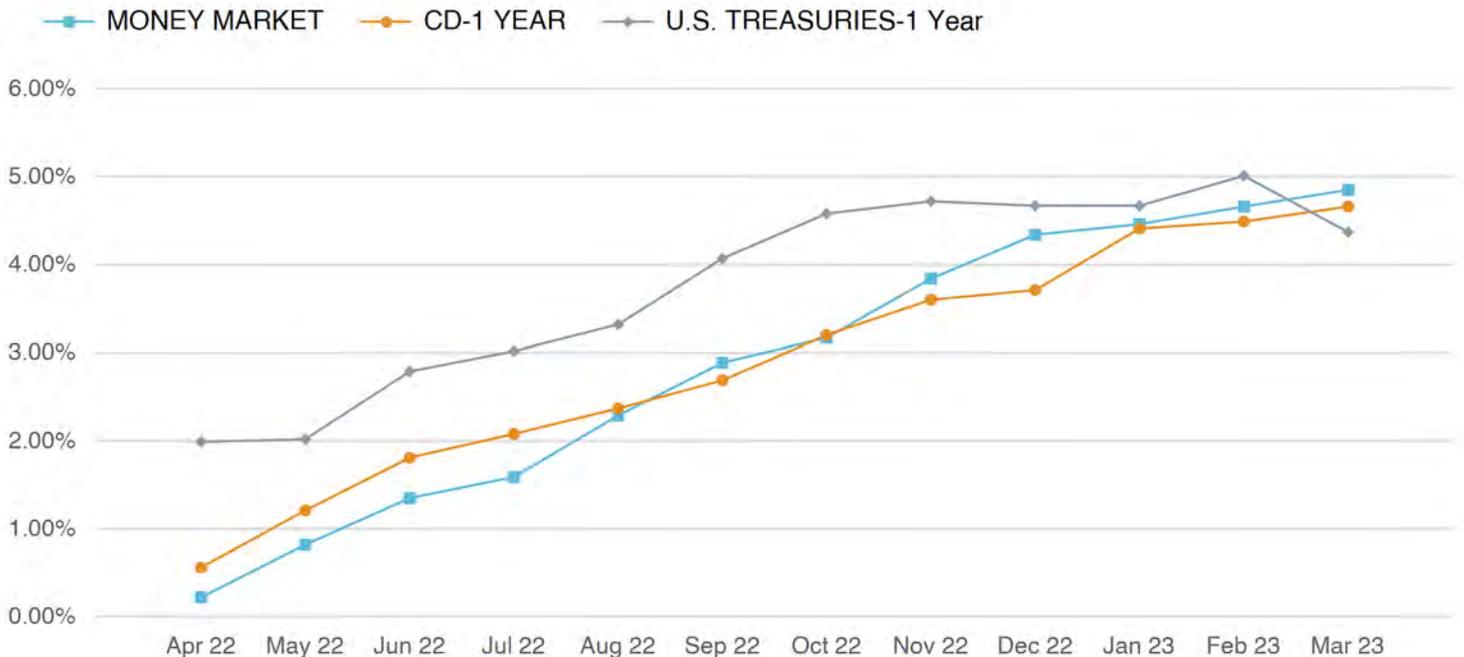


General Operating Fund	Capital Projects Fund	Debt Service Fund	Other Funds
<b>Funds Available to Invest</b> \$5,274,250	<b>Funds Available to Invest</b> \$334,153	<b>Funds Available to Invest</b> \$2,894,465	<b>Funds Available to Invest</b> N/A
<b>Funds Invested</b> \$5,137,196	<b>Funds Invested</b> \$333,993	<b>Funds Invested</b> \$2,894,465	<b>Funds Invested</b> N/A
<b>Percent Invested</b> 97%	<b>Percent Invested</b> 99%	<b>Percent Invested</b> 100%	<b>Percent Invested</b> N/A

Term	Money Market	Term	Certificate of Deposit	Term	U.S. Treasuries
On Demand	4.93%	180 Days	4.61%	180 Days	4.82%
		270 Days	4.29%	270 Days	4.82%
		1 Yr	4.91%	1 Yr	4.60%
		13 Mo	4.91%	13 Mo	N/A
		18 Mo	2.27%	18 Mo	4.60%
		2 Yr	2.08%	2 Yr	3.98%

\*Rates are based on the most current quoted rates and are subject to change daily.

## Investment Rates Over Time (By Month) | April 2022 - March 2023



# Account Balance as of 04/18/2023

## Harris County MUD No. 109 - Investment Detail



### FUND: General Operating

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
<b>Certificates of Deposit</b>					
SIMMONS BANK (XXXX7948)	09/26/2022	09/26/2023	3.50%	240,000.00	
<b>Money Market Funds</b>					
TEXAS CLASS (XXXX0001)	03/22/2017		5.05%	4,897,195.91	
<b>Checking Account(s)</b>					
CENTRAL BANK - CHECKING (XXXX1891)			0.00%	10,461.54	Checking Account
CENTRAL BANK - CHECKING (XXXX4632)			0.00%	126,592.80	Operator
<b>Totals for General Operating Fund</b>				<b>\$5,274,250.25</b>	

### FUND: Capital Projects

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
<b>Money Market Funds</b>					
TEXAS CLASS (XXXX0002)	03/22/2017		5.05%	333,993.03	Series 2017
<b>Checking Account(s)</b>					
CENTRAL BANK - CHECKING (XXXX1875)			0.00%	160.00	Checking Account
<b>Totals for Capital Projects Fund</b>				<b>\$334,153.03</b>	

### FUND: Debt Service

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
<b>Money Market Funds</b>					
TEXAS CLASS (XXXX0003)	03/22/2017		5.05%	2,894,465.44	
<b>Totals for Debt Service Fund</b>				<b>\$2,894,465.44</b>	

### Grand Total for Harris County MUD No. 109 :

**\$8,502,868.72**

# Capital Projects Fund Breakdown

Harris County MUD 109

As of Date 04/18/2023

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## Net Proceeds for All Bond Issues

### Receipts

Bond Proceeds - Series 2017	\$12,100,000.00
Interest Earnings - Series 2017	254,991.49

### Disbursements

Disbursements - Series 2017	(12,020,838.46)
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<b>Total Cash Balance</b>	<b>\$334,153.03</b>
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## Balances by Account

Central Bank - Checking	\$160.00
TX Class - Series 2017	333,993.03

<b>Total Cash Balance</b>	<b>\$334,153.03</b>
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## Balances by Bond Series

Bond Proceeds - Series 2017	\$334,153.03
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<b>Total Cash Balance</b>	<b>\$334,153.03</b>
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## Remaining Costs/Surplus By Bond Series

Surplus & Interest - Series 2017	\$334,153.03
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<b>Total Surplus &amp; Interest Balance</b>	<b>\$334,153.03</b>
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<b>Total Remaining Costs/Surplus</b>	<b>\$334,153.03</b>
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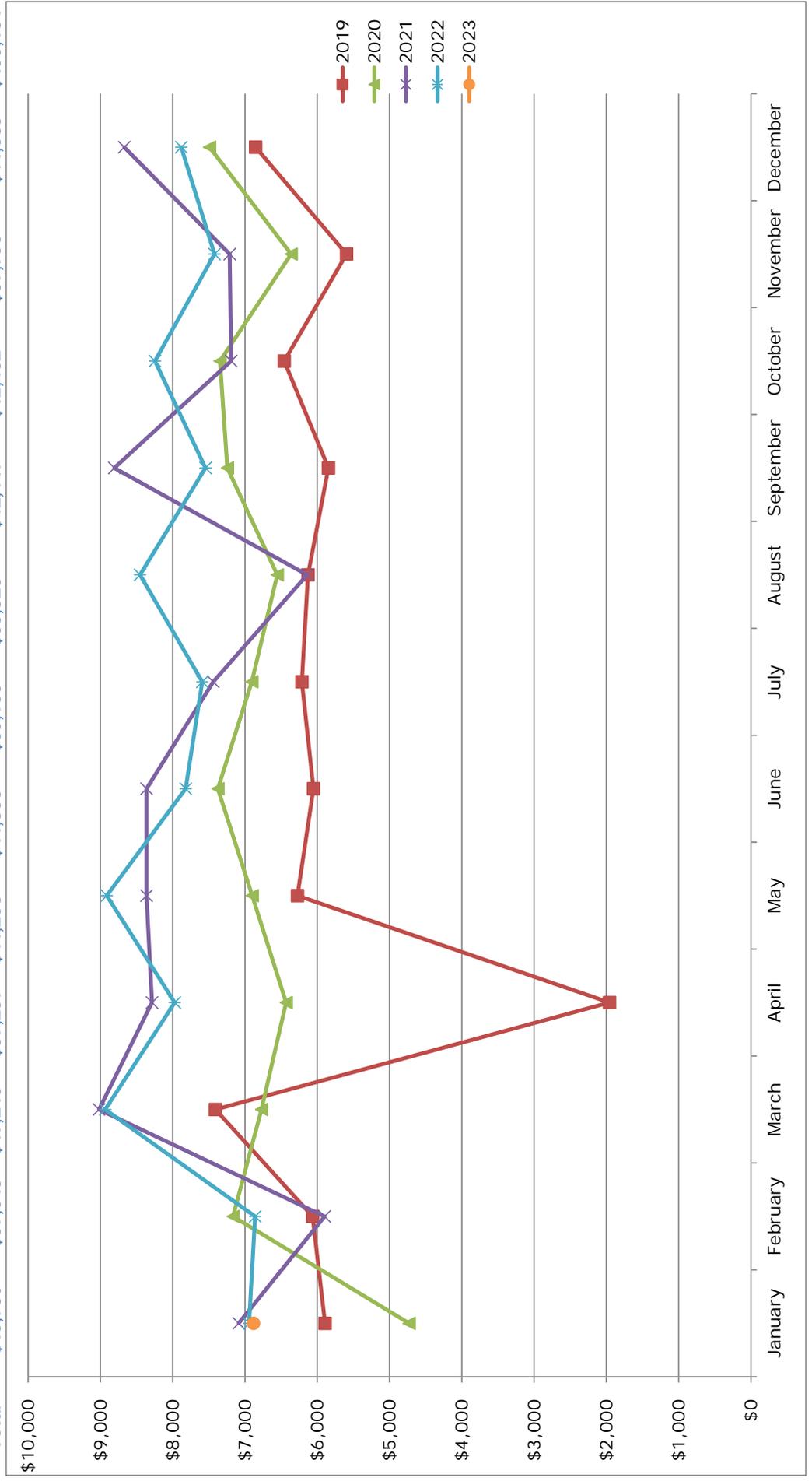
Date	Num	Name	Memo	Debit	Credit	Balance
<b>12603 - Lee Annexation</b>						
04/26/2019	JE		Deposit for Annexation		15,000.00	15,000.00
05/31/2019	5-190176	BGE, Inc.	Engineering Fees - Annexation No. 11	984.83		14,015.17
06/30/2019	6-190136	BGE, Inc.	Engineering Fees - Annexation No. 11	3,418.23		10,596.94
07/31/2019	7-190471	BGE, Inc.	Engineering Fees - Annexation No. 11	1,887.45		8,709.49
07/31/2019	9495136631	Norton Rose Fulbright US LLP	Legal Fees	172.50		8,536.99
08/31/2019	191647	The Research Staff, Inc.	Title Report - Annexation	80.00		8,456.99
08/31/2019	PS119001733	Harris County Appraisal District	Certificate of Ownership - Annexation	5.00		8,451.99
08/31/2019	8-190493	BGE, Inc.	Engineering Fees - Annexation No. 11	398.44		8,053.55
08/31/2019	9495142345	Norton Rose Fulbright US LLP	Legal Fees	702.50		7,351.05
09/30/2019	9495149477	Norton Rose Fulbright US LLP	Legal Fees	143.75		7,207.30
10/31/2019	10-190502	BGE, Inc.	Engineering Fees - Annexation No. 11	273.44		6,933.86
10/31/2019	9495155990	Norton Rose Fulbright US LLP	Legal Fees - Annexation	1,548.75		5,385.11
11/30/2019	11-190054	BGE, Inc.	Engineering Fees - Annexation No. 11	2,167.95		3,217.16
11/30/2019	9495163224	Norton Rose Fulbright US LLP	Legal Fees	742.50		2,474.66
12/31/2019	12-190187	BGE, Inc.	Engineering Fees - Annexation No. 11	1,289.06		1,185.60
12/31/2019	9495170944	Norton Rose Fulbright US LLP	Legal Fees - Annexation	496.18		689.42
01/31/2020	9495175858	Norton Rose Fulbright US LLP	Legal Fees - Annexation	270.00		419.42
02/29/2020	2-200558	BGE, Inc.	Engineering Fees - Annexation No. 11	195.31		224.11
02/29/2020	9495182734	Norton Rose Fulbright US LLP	Legal Fees - Annexation	270.00		-45.89
04/30/2020	9495196527	Norton Rose Fulbright US LLP	Legal Fees - Annexation	360.00		-405.89
06/30/2020	9495209384	Norton Rose Fulbright US LLP	Legal Fees - Annexation	90.00		-495.89
07/31/2020	9495216040	Norton Rose Fulbright US LLP	Legal Fees - Annexation	0.00		-495.89
08/31/2020	9495222409	Norton Rose Fulbright US LLP	11th Annexation	691.35		-1,187.24
09/30/2020	9495231141	Norton Rose Fulbright US LLP	11th Annexation	71.39		-1,258.63
10/31/2020	9495236610	Norton Rose Fulbright US LLP	11th Annexation	0.00		-1,258.63
11/30/2020	9495244364	Norton Rose Fulbright US LLP	11th Annexation	1,050.00		-2,308.63
12/02/2020	JE		Deposit for Lee Annexation		15,000.00	12,691.37
12/31/2020	9495251043	Norton Rose Fulbright US LLP	11th Annexation	300.00		12,391.37
01/31/2021	HCMUD109LEE-01	ROW Management LLC	Lee Annexation Expense	1,560.00		10,831.37
01/31/2021	9495256008	Norton Rose Fulbright US LLP	11th Annexation	0.00		10,831.37
02/28/2021	HCMUD109LEE-02	ROW Management LLC	Lee Annexation Expense	3,640.00		7,191.37
05/31/2021	AJE 4		Lee Annex Engineer to increase Lee Annex Bal	7,810.78		-619.41
05/31/2021	AJE 5		Adjust Lee and Barents after review of engineer	157.01		-776.42
06/30/2021	6-210975	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	1,552.95		-2,329.37
07/31/2021	7-210916	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	1,942.88		-4,272.25
08/31/2021	8-211098	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	3,791.52		-8,063.77
09/30/2021	9-210996	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	839.23		-8,903.00
10/31/2021	10-211116	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	693.11		-9,596.11
11/30/2021	11-210356	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	538.91		-10,135.02
01/31/2022	1-220949	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	1,437.97		-11,572.99
02/28/2022	2-221232	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	2,830.52		-14,403.51
03/31/2022	3-221422	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	1,634.80		-16,038.31
04/30/2022	4-221382	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	4,769.30		-20,807.61
04/30/2022	PE 1	Underground Construction Solutions, LLC	Pay Estimate No. 1 - Lee Tract Waterline Extens	53,187.00		-73,994.61
05/31/2022	5-221036	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	1,710.11		-75,704.72
05/31/2022	AJE 6		To adjust Lee Annex to District Expense per Mark Burton Cap		74,928.30	-776.42
06/30/2022	6-220939	BGE, Inc.	Engineering Fees - Lee Tract Waterline Extens	91.00		-867.42
Total 12603 - Lee Annexation				105,795.72	104,928.30	-867.42
<b>12604 - Barents Annexation</b>						
08/31/2019	Rept	BBVA	Barents Annexation Deposit - Ida Gilbert		5,000.00	5,000.00
08/31/2019	Rept	BBVA	Barents Annexation Deposit - GAP Plumbing Inc.		5,000.00	10,000.00
08/31/2019	9495142345	Norton Rose Fulbright US LLP	Legal Fees	322.50		9,677.50
09/03/2019	Rept	BBVA	Barents Annexation Deposit - Champ Auto Group Inc.		5,000.00	14,677.50
09/30/2019	9-190038	BGE, Inc.	Engineering Fees - Annexation No. 12	1,205.47		13,472.03
09/30/2019	9495149477	Norton Rose Fulbright US LLP	Legal Fees	143.75		13,328.28
10/31/2019	9495155990	Norton Rose Fulbright US LLP	Legal Fees - Annexation	517.50		12,810.78
10/31/2019	10-190504	BGE, Inc.	Engineering Fees - Annexation No. 12	6,362.73		6,448.05
11/30/2019	11-190056	BGE, Inc.	Engineering Fees - Annexation No. 12	3,448.57		2,999.48
11/30/2019	9495163224	Norton Rose Fulbright US LLP	Legal Fees	146.25		2,853.23
12/31/2019	12-190189	BGE, Inc.	Engineering Fees - Annexation No. 12	2,516.81		336.42
12/31/2019	9495170944	Norton Rose Fulbright US LLP	Legal Fees - Annexation	1,350.00		-1,013.58
01/31/2020	1-200553	BGE, Inc.	Engineering Fees - Annexation No. 12	292.97		-1,306.55
01/31/2020	9495175858	Norton Rose Fulbright US LLP	Legal Fees - Annexation	0.00		-1,306.55
02/29/2020	2-200560	BGE, Inc.	Engineering Fees - Annexation No. 12	2,171.88		-3,478.43
02/29/2020	2-200525	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	2,762.20		-6,240.63
02/29/2020	9495182734	Norton Rose Fulbright US LLP	Legal Fees - Annexation	0.00		-6,240.63
03/31/2020	3-200228	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	454.00		-6,694.63
04/30/2020	4-200364	BGE, Inc.	Engineering Fees - Annexation No. 12	2,332.65		-9,027.28
04/30/2020	4-200354	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	3,165.61		-12,192.89
04/30/2020	9495196527	Norton Rose Fulbright US LLP	Legal Fees - Annexation	0.00		-12,192.89
05/31/2020	5-200205	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	883.59		-13,076.48
06/30/2020	6-200423	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	1,953.10		-15,029.58

Date	Num	Name	Memo	Debit	Credit	Balance
06/30/2020	9495209384	Norton Rose Fulbright US LLP	Legal Fees - Annexation	978.75		-16,008.33
07/31/2020	7-200217	BGE, Inc.	Engineering Fees - Barents Drive LS Feasibility	390.62		-16,398.95
07/31/2020	9495216040	Norton Rose Fulbright US LLP	Legal Fees - Annexation	243.75		-16,642.70
08/31/2020	9495222409	Norton Rose Fulbright US LLP	12th Annexation	3,286.35		-19,929.05
09/30/2020	9495231141	Norton Rose Fulbright US LLP	12th Annexation	71.39		-20,000.44
10/31/2020	9495236610	Norton Rose Fulbright US LLP	12th Annexation	341.25		-20,341.69
11/30/2020	9495244364	Norton Rose Fulbright US LLP	12th Annexation	250.00		-20,591.69
12/31/2020	9495251043	Norton Rose Fulbright US LLP	12th Annexation	150.00		-20,741.69
01/31/2021	9495256008	Norton Rose Fulbright US LLP	12th Annexation	740.00		-21,481.69
02/28/2021	9495262527	Norton Rose Fulbright US LLP	12th Annexation	1,080.33		-22,562.02
03/31/2021	9495270101	Norton Rose Fulbright US LLP	12th Annexation	570.00		-23,132.02
04/30/2021	9495276855	Norton Rose Fulbright US LLP	12th Annexation	770.00		-23,902.02
05/31/2021	9495283640	Norton Rose Fulbright US LLP	12th Annexation	530.00		-24,432.02
05/31/2021	AJE 5		Adjust Lee and Barents after review of engineer		157.01	-24,275.01
06/30/2021	9495291784	Norton Rose Fulbright US LLP	12th Annexation	300.00		-24,575.01
07/31/2021	9495297183	Norton Rose Fulbright US LLP	12th Annexation	350.00		-24,925.01
08/31/2021	W/O 98752653	Centerpoint Energy'	Defined Easement	1,700.00		-26,625.01
08/31/2021	9495303961	Norton Rose Fulbright US LLP	12th Annexation	100.00		-26,725.01
09/30/2021	9495311756	Norton Rose Fulbright US LLP	12th Annexation	230.00		-26,955.01
10/31/2021	9495317946	Norton Rose Fulbright US LLP	12th Annexation	200.00		-27,155.01
11/30/2021	9495324857	Norton Rose Fulbright US LLP	12th Annexation	520.00		-27,675.01
12/31/2021	9495330927	Norton Rose Fulbright US LLP	12th Annexation	150.00		-27,825.01
01/31/2022	9495336660	Norton Rose Fulbright US LLP	12th Annexation	55.00		-27,880.01
Total 12604 · Barents Annexation				43,037.02	15,157.01	-27,880.01
<b>12606 · Zimmerman Properties - 9 acre</b>						
07/14/2022	Recpt		Zimmerman Feasibility		5,000.00	5,000.00
09/30/2022	9-221757	BGE, Inc.	Zimmerman Tract Feasibility Study	4,496.77		503.23
Total 12606 · Zimmerman Properties - 9 acre				4,496.77	5,000.00	503.23
<b>12607 · Madden Tract</b>						
07/21/2022	Rept		Madden Annexation		5,000.00	5,000.00
09/30/2022	9-221756	BGE, Inc.	Madden Tract Feasibility Study	4,538.55		461.45
11/30/2022	11-220213	BGE, Inc.	Madden Tract Feasibility Study	289.06		172.39
Total 12607 · Madden Tract				4,827.61	5,000.00	172.39
<b>TOTAL</b>				<b>158,157.12</b>	<b>130,085.31</b>	<b>-28,071.81</b>

# Sales Tax Revenue History

Harris County MUD No. 109

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2019	\$5,893	\$6,065	\$7,408	\$1,957	\$6,274	\$6,053	\$6,211	\$6,128	\$5,846	\$6,457	\$5,596	\$6,855	\$70,743
2020	\$4,731	\$7,165	\$6,772	\$6,430	\$6,900	\$7,374	\$6,906	\$6,552	\$7,243	\$7,347	\$6,362	\$7,490	\$81,272
2021	\$7,086	\$5,898	\$9,019	\$8,285	\$8,362	\$8,363	\$7,440	\$6,140	\$8,807	\$7,190	\$7,212	\$8,672	\$92,475
2022	\$6,943	\$6,859	\$8,934	\$7,973	\$8,913	\$7,820	\$7,589	\$8,453	\$7,546	\$8,244	\$7,422	\$7,881	\$94,577
2023	\$6,881												
<b>Total</b>	<b>\$43,796</b>	<b>\$37,849</b>	<b>\$47,248</b>	<b>\$37,297</b>	<b>\$44,258</b>	<b>\$44,355</b>	<b>\$39,159</b>	<b>\$38,928</b>	<b>\$42,447</b>	<b>\$42,492</b>	<b>\$37,798</b>	<b>\$44,389</b>	<b>\$493,134</b>



# Cash Flow Forecast

Harris County MUD 109

	5/23	5/24	5/25	5/26	5/27
Assessed Value	\$839,415,197	\$839,415,197	\$839,415,197	\$839,415,197	\$839,415,197
Maintenance Tax Rate	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220
Maintenance Tax	\$1,809,779	\$1,809,779	\$1,809,779	\$1,809,779	\$1,809,779
% Change in Water Rate		1.00%	1.00%	1.00%	1.00%
% Change in Wastewater Rate		3.00%	3.00%	3.00%	3.00%
% Change in NHCRWA		10.00%	10.00%	10.00%	10.00%
% Change in Expenses		5.00%	5.00%	5.00%	5.00%
<b>Beginning Cash Balance 5-31-2022</b>	<b>\$4,424,258</b>	<b>\$4,728,717</b>	<b>\$4,966,592</b>	<b>\$5,191,714</b>	<b>\$5,716,523</b>
<b>Revenues</b>					
Maintenance Tax	\$1,446,483	\$1,809,779	\$1,809,779	\$1,809,779	\$1,809,779
Water Revenue	510,000	515,100	520,251	525,454	530,708
Wastewater Revenue	617,900	636,437	655,530	675,196	695,452
NHCRWA Revenue	1,239,600	1,363,560	1,499,916	1,649,908	1,814,898
Other	271,677	285,261	299,524	314,500	330,225
<b>Total Revenues</b>	<b>\$4,085,660</b>	<b>\$4,610,137</b>	<b>\$4,785,000</b>	<b>\$4,974,836</b>	<b>\$5,181,063</b>
<b>Expenses</b>					
NHCRWA	\$1,572,800	\$1,730,080	\$1,903,088	\$2,093,397	\$2,302,736
Other Expenses	1,992,554	2,092,182	2,196,791	2,306,630	2,421,962
<b>Total Expenses</b>	<b>\$3,565,354</b>	<b>\$3,822,262</b>	<b>\$4,099,879</b>	<b>\$4,400,027</b>	<b>\$4,724,698</b>
<b>Net Surplus</b>	<b>\$520,306</b>	<b>\$787,875</b>	<b>\$685,121</b>	<b>\$574,809</b>	<b>\$456,364</b>
<b>Capital Outlay</b>					
Capital Outlay - AJOB	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
WP 1 Well Rehab & Motor Replacement	0	200,000	0	0	0
WP 1 Electrical Control Improvements	0	250,000	210,000	0	0
WP 1 GST 1 Replacement	250,000	0	0	0	0
WP 2 Well Rehab & Motor Replacement	0	0	200,000	0	0
HC 46 Water Interconnect	0	50,000	0	0	0
Manholes Valve Rehab	250,000	0	0	0	0
<b>Total Capital Outlay</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>\$460,000</b>	<b>\$50,000</b>	<b>\$50,000</b>
<b>Construction Surplus</b>	<b>\$334,153</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Cash Balance</b>	<b>\$4,728,717</b>	<b>\$4,966,592</b>	<b>\$5,191,714</b>	<b>\$5,716,523</b>	<b>\$6,122,887</b>
<b>Operating Reserve % of Exp</b>					
Percentage	133%	130%	127%	130%	130%
Number of Months	16	16	15	16	16
<b>Bond Authority</b>					
Remaining Bonding Capacity - \$12,950,000					
Maintenance Tax Rate Cap - \$1.00					

# Proposed Budget

Harris County MUD No. 109 - Fiscal Year Ending May 2024

	Ten Month Actuals 6/2022 - 3/2023	Twelve Months Annualized FYE 5/2023	Approved 2023 Budget	Proposed 2024 Budget
<b>Revenues</b>				
14101 · Water- Customer Service Revenue	\$476,573	\$576,573	\$510,000	\$588,100
14102 · Surface Water - Reserve	1,035,339	1,235,339	1,239,600	1,272,400
14105 · Connection Fees	25,350	30,420	24,100	30,700
14107 · Water Interconnect - HC 46	197,288	197,288	0	0
14108 · Water Sales to HC 151	11,187	13,425	12,100	13,800
14201 · Wastewater-Customer Service Rev	544,524	653,429	617,900	666,500
14206 · Capacity Sale - HC 494	8,761	8,761	0	0
14301 · Maintenance Tax Collections	1,686,835	1,686,835	1,446,483	1,722,365
14401 · COH Rebate	80,774	96,929	94,200	\$98,900
14501 · Tap Connections	20,440	24,527	15,000	15,000
14502 · Inspection Fees	8,050	9,660	10,800	9,800
14702 · Penalties & Interest	79,361	95,233	72,000	96,200
14801 · Interest Earned on Checking	1,960	2,353	20	2,400
14802 · Interest Earned on Temp. Invest	97,743	131,743	42,257	250,889
15801 · Miscellaneous Income	592	710	1,200	700
<b>Total Revenues</b>	<b>\$4,274,778</b>	<b>\$4,763,226</b>	<b>\$4,085,660</b>	<b>\$4,767,755</b>
<b>Expenditures</b>				
16102 · Operations - Water	\$93,548	\$112,258	\$109,200	\$115,600
16105 · Maintenance & Repairs - Water	406,689	488,026	261,800	400,000
16107 · Chemicals - Water	62,536	75,043	47,900	77,300
16108 · Laboratory Expense - Water	6,305	7,566	4,400	7,800
16109 · Mowing - Water	11,202	13,442	13,400	13,800
16110 · Utilities - Water	87,902	105,482	97,200	108,600
16111 · Reconnections	8,995	10,794	10,400	11,100
16112 · Disconnection Expense	4,020	4,824	2,800	5,000
16113 · Service Account Collection	25,191	30,229	37,400	31,100
16114 · Telephone Expense - Water	4,684	5,621	5,000	5,800
16116 · Permit Expense - Water	7,666	7,666	7,200	7,900
16117 · TCEQ Regulatory Expense - Water	1,762	2,902	2,800	3,137

# Proposed Budget

Harris County MUD No. 109 - Fiscal Year Ending May 2024

	Ten Month Actuals 6/2022 - 3/2023	Twelve Months Annualized FYE 5/2023	Approved 2023 Budget	Proposed 2024 Budget
16118 · Surface Water Fee	1,350,800	1,620,960	1,572,800	1,669,600
16202 · Operations - Wastewater	23,233	27,880	28,400	28,700
16204 · Purchase Wastewater Service	400,954	487,118	547,500	501,700
16205 · Maint & Repairs - Wastewater	155,739	186,886	189,600	192,500
16207 · Chemicals - Wastewater	4,197	5,036	700	5,200
16208 · Laboratory Fees - Wastewater	2,472	2,966	900	3,100
16209 · Mowing - Wastewater	9,632	11,558	12,000	11,900
16210 · Utilities - Lift Station	21,012	25,214	18,000	26,000
16214 · Telephone Expense - Wastewater	4,480	5,376	5,000	5,500
16217 · TCEQ Regulatory Exp-Wastewater	1,762	2,902	2,800	3,137
16301 · Garbage Expense	6,391	7,669	4,300	7,900
16501 · Tap Connection Expense	5,198	6,238	7,000	6,400
16502 · Inspection Expense	11,201	13,442	3,600	13,800
16703 · Legal Fees	48,206	57,848	63,400	63,400
16705 · Auditing Fees	17,500	17,500	16,800	18,000
16706 · Engineering Fees	32,604	39,124	80,000	80,000
16708 · GIS Expense	0	0	2,000	0
16709 · Election Expense	0	0	0	10,000
16710 · Website Expense	588	705	700	700
16712 · Bookkeeping Fees	45,883	55,060	40,000	56,700
16714 · Printing & Office Supplies	24,379	29,255	29,200	30,100
16716 · Delivery Expense	223	267	1,300	300
16717 · Postage	549	659	33,900	700
16718 · Insurance & Surety Bond	0	31,000	31,000	31,900
16719 · AWBD Expense	11,766	14,119	7,800	14,500
16722 · Bank Service Charges	855	1,026	1,200	1,100
16723 · Travel Expense	1,220	1,464	100	1,500
16727 · Arbitrage Expense	1,650	1,650	3,250	239,800
16728 · Record Storage Fees	149	179	0	400

# Proposed Budget

Harris County MUD No. 109 - Fiscal Year Ending May 2024

	Ten Month Actuals 6/2022 - 3/2023	Twelve Months Annualized FYE 5/2023	Approved 2023 Budget	Proposed 2024 Budget
16801 · Security Patrol Expense	190,767	190,767	223,104	232,800
16802 · Security Monitoring	40,057	40,057	10,300	10,600
17101 · Payroll Expenses	19,377	23,252	25,000	25,000
17802 · Miscellaneous Expense	2,845	3,415	4,200	3,500
<b>Total Expenditures</b>	<b>\$3,156,187</b>	<b>\$3,774,445</b>	<b>\$3,565,354</b>	<b>\$4,083,573</b>
<b>Other Revenues</b>				
14720 · Transfer from Operating Reserve	\$0	\$0	\$29,694	\$0
<b>Total Other Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,694</b>	<b>\$0</b>
<b>Capital Outlay</b>				
17901 · Capital Outlay	\$89,988	\$89,988	\$550,000	\$550,000
17904 · Capital Outlay - Barents Dr L/S	1,142	1,142	0	50,000
<b>Total Capital Outlay</b>	<b>\$91,130</b>	<b>\$91,130</b>	<b>\$550,000</b>	<b>\$600,000</b>
<b>Net Excess Revenues &lt;Expenditures&gt;</b>	<b>\$1,027,461</b>	<b>\$897,650</b>	<b>\$0</b>	<b>\$84,182</b>



Harris County Municipal  
Utility District No. 109  
Quarterly Investment Inventory Report  
Period Ending February 28, 2023

BOARD OF DIRECTORS

Harris County Municipal  
Utility District No. 109

Attached is the Quarterly Investment Inventory Report for the  
Period ending February 28, 2023.

This report and the District's investment portfolio are in compliance with the  
investment strategies expressed in the District's investment policy, and the  
Public Funds Investment Act.

I, hereby certify that, pursuant to Senate Bill 253 and in connection with the  
preparation of the investment report, I have reviewed the divestment lists  
prepared and maintained by the Texas Comptroller of Public Accounts, and the  
District does not own direct or indirect holdings in any companies identified on such lists.

Mark M. Burton  
(Investment Officer)

Ghia Lewis  
(Investment Officer)

COMPLIANCE TRAINING

HB 675 states the Investment Officer must attend at least one training seminar for (6) six hours  
Within twelve months of taking office and requires at least (4) four hours training within each (2)  
two year period thereafter.

INVESTMENT OFFICERS

Mark M. Burton

Ghia Lewis

CURRENT TRAINING

November 5, 2013 (Texpool Academy 10 Hours)  
November 27, 2015 (Texpool Academy 10 Hours)  
December 26, 2017 (Texpool Academy 10 Hours)  
January 9, 2020 (TexPool Academy 12 Hours)  
December 31, 2021 (Texpool Academy 10 Hours)  
November 7, 2013 (Texpool Academy 10 Hours)  
November 5, 2015 (Texpool Academy 10 Hours)  
November 6, 2017 (Texpool Academy 10 Hours)  
November 5, 2019 (Texpool Academy 10 Hours)  
December 28, 2021 (Texpool Academy 10 Hours)

Harris County MUD No. 109  
**Summary of Money Market Funds**  
 12/01/2022 - 02/28/2023

Fund: Operating		Financial Institution: TEXAS CLASS	Date Opened: 03/22/2017	Current Interest Rate: 4.93%	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
		Account Number: XXXX0001				3,447,665.93				
12/01/2022										
12/30/2022	To Checking							(85,000.00)		
12/31/2022									12,525.82	
01/17/2023	To Checking							(35,000.00)		
01/19/2023	Tax Transfer					1,076,595.74				
01/31/2023								(100,000.00)	14,835.07	
02/21/2023	To Checking								16,096.29	
02/28/2023										
<b>Totals for Account XXXX0001:</b>						\$3,447,665.93	\$1,076,595.74	(\$220,000.00)	\$43,457.18	\$4,347,718.85
<b>Totals for Operating Fund:</b>						\$3,447,665.93	\$1,076,595.74	(\$220,000.00)	\$43,457.18	\$4,347,718.85

**Methods Used For Reporting Market Values**  
 Certificates of Deposit: Face Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/AM Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109

**Summary of Money Market Funds**

12/01/2022 - 02/28/2023

Fund: Capital Projects		Financial Institution: TEXAS CLASS	Date Opened: 03/22/2017	Current Interest Rate: 4.93%	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
Date										
12/01/2022						456,845.96				
12/20/2022	To Checking							(103,821.05)	1,511.00	
12/31/2022										
01/17/2023	To Checking							(2,315.93)	1,375.44	
01/31/2023										
02/21/2023	To Checking							(2,325.76)	1,290.25	
02/28/2023										
<b>Totals for Account XXXX0002:</b>						\$456,845.96		(\$108,462.74)	\$4,176.69	\$352,559.91
<b>Totals for Capital Projects Fund:</b>						\$456,845.96		(\$108,462.74)	\$4,176.69	\$352,559.91

**Methods Used For Reporting Market Values**

Certificates of Deposit: Price Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/ADB Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109

**Summary of Money Market Funds**

12/01/2022 - 02/28/2023

Fund: Debt Service		Financial Institution: TEXAS CLASS	Date Opened: 03/22/2017	Current Interest Rate: 4.99%	Description				
Date		Account Number: XXXX0003			Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
12/01/2022					1,382,155.73				
12/31/2022						1,223,404.26		5,076.31	
01/19/2023		Tax Transfer							
01/31/2023								7,405.04	
02/17/2023		PAF BONY SERIES 2017					(750.00)		
02/28/2023								9,569.90	
Totals for Account XXXX0003:					\$1,382,155.73	\$1,223,404.26		\$22,051.25	\$2,626,861.24
Totals for Debt Service Fund:					\$1,382,155.73	\$1,223,404.26		\$22,051.25	\$2,626,861.24

Methods Used For Reporting Market Values

Certificates of Deposit: Price Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/AM Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109  
**Summary of Certificates of Deposit with Money Market**  
 12/01/2022 - 02/28/2023

Financial Institution	Investment Number	Issue Date	Maturity Date	Beginning Balance	Principal From Cash	Principal From Investment	Principal From Withdrawal	Principal Reinvested	Ending Balance	Interest Rate	Beg. Acc. Interest	Interest Earned	Interest Reinvested	Interest Withdrawn	Accrued Interest
Fund: Operating															
Certificates of Deposit															
SIMMONS BANK	XXXXX7948	09/26/22	09/26/23	240,000.00	0.00	0.00	0.00	0.00	240,000.00	3.50%	1,518.90	0.00	0.00	0.00	3,567.12
<b>Totals for Operating Fund:</b>				240,000.00	0.00	0.00	0.00	0.00	240,000.00	N/A	1,518.90	0.00	0.00	0.00	\$3,567.12
<b>Beginning Balance:</b>	\$240,000.00								\$0.00						
<b>Plus Principal From Cash:</b>	\$0.00								\$1,518.90						
<b>Less Principal Withdrawn:</b>	\$0.00								\$3,567.12						
<b>Plus Interest Reinvested:</b>	\$0.00								\$2,048.22						
<b>Fixed Balance:</b>	\$240,000.00								\$43,457.18						
<b>MM Balance:</b>	\$4,347,718.85								\$45,503.40						
<b>Total Balance:</b>	\$4,587,718.85														

Interest Earned:  
 Less Beg Accrued Interest: \$0.00  
 Plus End Accrued Interest: \$1,518.90  
 Fixed Interest Earned: \$2,048.22  
 MM Interest Earned: \$43,457.18  
 Total Interest Earned: \$45,503.40

**Methods Used For Reporting Market Values**

Certificates of Deposit: Price Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/MDM Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109  
**Summary of Certificates of Deposit with Money Market**  
 12/01/2022 - 02/28/2023

Financial Institution	Investment Number	Issue Date	Maturity Date	Beginning Balance	Principal From Cash	Principal From Investment	Principal From Withdrawal	Principal Reinvested	Ending Balance	Interest Rate	Beg. Acc. Interest	Interest Earned	Interest Reinvested	Interest Withdrawn	Accrued Interest
<b>Fund: Capital Projects</b>															
<b>Totals for Capital Projects Fund:</b>															
Beginning Balance:	\$0.00				0.00	0.00	0.00	0.00	0.00	N/A	0.00	0.00	0.00	0.00	\$0.00
Plus Principal From Cash:	\$0.00								\$0.00						
Less Principal Withdrawn:	\$0.00								\$0.00						
Plus Interest Reinvested:	\$0.00								\$0.00						
Fixed Balance:	\$0.00								\$0.00						
MM Balance:	\$352,559.91								\$4,176.69						
Total Balance:	\$352,559.91								\$4,176.69						

Interest Earned:  
 Less Beg Accrued Interest: \$0.00  
 Plus End Accrued Interest: \$0.00  
 Fixed Interest Earned: \$0.00  
 MM Interest Earned: \$4,176.69  
 Total Interest Earned: \$4,176.69

**Methods Used For Reporting Market Values**

Certificates of Deposits: Price Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/ADM Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109  
**Summary of Certificates of Deposit with Money Market**  
 12/01/2022 - 02/28/2023

Financial Institution	Investment Number	Issue Date	Maturity Date	Beginning Balance	Principal From Cash	Principal From Investment	Principal From Withdrawal	Principal Reinvested	Ending Balance	Interest Rate	Beg. Acc. Interest	Interest Earned	Interest Reinvested	Interest Withdrawn	Accrued Interest
<b>Fund: Debt Service</b>															
<b>Totals for Debt Service Fund:</b>															
Beginning Balance:	\$0.00			0.00	0.00	0.00	0.00	0.00	0.00	N/A	0.00	0.00	0.00	0.00	\$0.00
Plus Principal From Cash:	\$0.00							Interest Earned:	\$0.00						
Less Principal Withdrawn:	\$0.00							Less Beg Accrued Interest:	\$0.00						
Plus Interest Reinvested:	\$0.00							Plus End Accrued Interest:	\$0.00						
Fixed Balance:	\$0.00							Fixed Interest Earned:	\$0.00						
MM Balance:	\$2,626,861.24							MM Interest Earned:	\$22,051.25						
Total Balance:	\$2,626,861.24							Total Interest Earned:	\$22,051.25						
<b>Totals for District:</b>															
				240,000.00	0.00	0.00	0.00	0.00	240,000.00	N/A	1,518.90	0.00	0.00	0.00	\$3,567.12

**Methods Used For Reporting Market Values**

Certificates of Deposit: Price Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/AIM Accounts: Balance = Book Value = Current Market

Harris County MUD No. 109

**Detail of Pledged Securities**

12/01/2022 - 02/28/2023

Financial Institution: CENTRAL BANK - CHECKING

Security: FHLLB Par Value: 18,000.00 Maturity Date: 03/01/2029 Pledged: 08/22/2022 Released: Amount Released:

Date	Value
12/31/2022	18,629.34
01/31/2023	18,844.58
02/28/2023	18,628.49

Security: FHLLB Par Value: 55,000.00 Maturity Date: 11/15/2032 Pledged: 01/18/2022 Released: Amount Released:

Date	Value
12/31/2022	28,607.20
01/31/2023	29,280.78
02/28/2023	28,626.43

Security: FHLLB Par Value: 37,000.00 Maturity Date: 05/15/2028 Pledged: 11/14/2022 Released: Amount Released:

Date	Value
12/31/2022	35,262.00
01/31/2023	35,703.34
02/28/2023	35,034.72

3

Security: FFLMC Par Value: 75,000.00 Maturity Date: 02/01/2030 Pledged: 08/18/2022 Released: Amount Released:

Date	Value
12/31/2022	74,833.83
01/31/2023	76,732.31
02/28/2023	75,157.41

Security: FFLMC Par Value: 50,000.00 Maturity Date: 01/01/2029 Pledged: 08/18/2022 Released: Amount Released:

Date	Value
12/31/2022	8,527.61
01/31/2023	8,497.56
02/28/2023	8,130.88

Security: Letter of Credit/FHLLB-Ad Par Value: 175,000.00 Maturity Date: 01/20/2023 Pledged: 12/20/2022 Released: Amount Released: 175,000.00

Date	Value
12/31/2022	175,000.00

**Methods Used For Reporting Market Values**

Certificates of Deposits: Face Value Plus Accrued Interest  
 Securities/Direct Government Obligations: Market Value Quoted by the Seller of the Security and Confirmed in Writing  
 Public Fund Investment Pool/ADM Accounts: Balance = Book Value = Current Market



## ENGINEERING REPORT

April 13, 2023

**To:** Harris County MUD No. 109 Board of Directors

**From:** Bill Kotlan, P.E.  
District Engineer

---

**Review Engineer's Report**, including approval of pay estimates, authorization of change orders to pending construction contracts, and authorization of capacity commitments:

**a. Utility Relocations related to FM 1960 Widening: Update**

Contractor is installing water line.

**b. Water Plant No. 2 Expansion**

We are working with Contractor and Operator to resolve warranty issues.

**c. Barents Drive Lift Station**

City is requiring a 20-foot easement for the force main. Champions Volleyball has approved the easement.

**Action Item: Recommend approval of force main easement agreement with Champions Volleyball and authorization for signature.**

**d. Wastewater Treatment Plant**

Project is in construction. Proposed gates are being manufactured and should be available in June.

**e. Wastewater Treatment Plant Permit Renewal**

Final permit was received this month.

**f. Developer's Report:** Nothing to report.

Exhibit F

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**g. Miscellaneous**

**i. Rivergrove Park Splashpad**

No further correspondence this month.

**ii. Lead and Copper Rule Revision Update**

Deadline for compliance with Lead Service Line Inventory is October 16, 2024.

**CORRECTION SANITARY SEWER LINE EASEMENT**

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

KNOW ALL BY THESE PRESENTS:

This **CORRECTION SANITARY SEWER LINE EASEMENT** (“Correction Easement”) is executed as a Correction Easement, given and accepted in place of that certain Sanitary Sewer Line Easement dated May 27, 2021, and filed of record on June 3, 2021, under filing No. RP-2021-308130 in the Official Public Records of Harris County, Texas (the “Original Easement”), in which, through mistake or inadvertence, an error was made in the metes and bounds description and sketch set forth in Exhibit A to the Original Easement. This Correction Easement shall be effective as of, and retroactive to, the date of the Original Easement.

**DATE:** May 27, 2021

**GRANTOR:** Champion Volleyball Club of Houston, LLC

**GRANTOR’S ADDRESS:** 8310 Shore Grove Dr., Humble, TX 77346

**GRANTEE:** Harris County Municipal Utility District No. 109

**GRANTEE’S ADDRESS:** c/o Norton Rose Fulbright US LLP, 1301 McKinney, Suite 5100, Houston, TX 77010-3095

**EASEMENT AREA:**

The Easement Area is a 0.1929 acre tract out of the J. B. Stevenson Survey, Abstract No. 703, as further described in **Exhibit A**, attached hereto.

**GRANT OF EASEMENT:**

Grantor grants to Grantee a non-exclusive perpetual right-of-way and easement for the construction, installation, repair, replacement, removal, maintenance and operation of a sanitary sewer line and all related appurtenances thereto (the “Facilities”) on, over, under, across, along and through the Easement Area.

Grantee may construct, install, maintain, repair, replace, remove and operate the Facilities, as appropriate, on the Easement Area and may enter upon the Easement Area to engage in all activities as may be necessary, requisite, convenient or appropriate in connection therewith. Grantee shall have access across, along, over and upon the Easement Area, including the right to bring and operate such equipment as may be necessary or appropriate to effectuate the purpose for which the Easement is granted and the right to clear and remove trees, growth, shrubbery and other improvements from within the Easement Area.

**RESERVATIONS FROM AND CONDITIONS OF GRANT OF EASEMENT:**

1. This grant is not a conveyance of the Easement Area nor of any interest in the oil, gas, and other minerals in, on, or under the Easement Area, but is a grant solely of the right-of-way and easement as above described.
2. Following any ditching or excavating within the Easement Area, all topsoil shall be replaced to the extent possible on the top of the ditch or excavation. To the extent practicable, the Easement Area shall be restored to the condition in which it existed prior to the undertaking of such work; provided, however, Grantee will not be required to replace landscaping.
3. This easement is subject to all easements, rights of way, reservations, restrictions, conditions, covenants, oil and gas leases, mineral severances, and other instruments of record enforceable against the Easement Area or any part of it.
4. Grantor and his successors and assigns shall have the right to full and complete enjoyment of the Easement Area, including the right to grant other easement rights within the Easement Area, and no use of the Easement Area pursuant to this instrument, including construction activities, shall unreasonably impair the conduct of business on the land burdened by and located adjacent to the Easement Area; provided, however, Grantor's use shall not unreasonably interfere with use of the Easement Area for the purposes stated above.

**NO BROKER:**

Grantor represents that Grantee shall have no liability for any fee due any agent or broker by reason of this easement.

**PERPETUAL TERM:**

To have and to hold, subject to the matters set forth herein, the above-described Easement, together with all the rights and appurtenances thereto, including all necessary rights of ingress, egress, and regress, unto the Grantee, its successors and assigns forever. Subject to the matters set forth herein, Grantor does hereby bind himself, his successors and assigns to warrant and forever defend, all and singular the Easement and right-of-way and other rights described herein unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor, but not otherwise.

*[Signatures Follow]*

EXECUTED on the date set forth in the acknowledgement below and effective as of the Effective Date first stated herein.

CHAMPION VOLLEYBALL CLUB OF  
HOUSTON, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

NAME: \_\_\_\_\_

“GRANTOR”

THE STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes therein expressed, and in the capacity therein stated.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas  
My Commission Expires: \_\_\_\_\_

HARRIS COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 109

Mailing Address:  
Harris County Municipal Utility  
District No. 109  
c/o Norton Rose Fulbright US LLP  
1301 McKinney, Suite 5100  
Houston, Texas 77010-3095

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

“GRANTEE”

STATE OF TEXAS                   §  
  §  
COUNTY OF HARRIS           §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2023  
by \_\_\_\_\_, the \_\_\_\_\_ of  
Harris County Municipal Utility District No. 109, on behalf of said district.

\_\_\_\_\_  
Notary Public, State of Texas

(NOTARY SEAL)

*[Exhibit A Follows]*

DESCRIPTION OF A 0.1929 ACRE TRACT OF LAND SITUATED  
IN THE THOMAS W. MARSHALL SURVEY, ABSTRACT NO. 540  
HARRIS COUNTY, TEXAS

BEING a 0.1929 acre (8,401 square foot) tract of land situated in the Thomas W. Marshall Survey, Abstract No. 540 of Harris County, Texas and being a portion of a called 0.6762 acre tract of land as conveyed in an instrument to Champion Volleyball Club of Houston, LLC recorded under Harris County Clerk's File Number (H.C.C.F. No.) RP-2019-264415 and described in H.C.C.F. No. M232877, said 0.1929 acre tract of land described by metes and bounds as follows, with all bearings based on the Texas Coordinate System of 1983 (NAD83), South Central Zone 4204 and referenced to monuments found along the South right-of-way line of Farm to Market Road 1960 (width varies) as cited herein:

**BEGINNING** at a 5/8-inch iron rod with cap stamped "RPLS 3674" found for the Northeast corner of said 0.6762 acre tract, lying on the South right-of-way line of F.M. 1960 (width varies) as shown on Volume 1017, Page 506 of the Harris County Deed Records (H.C.D.R.) and in H.C.C.F. Nos. RP-2018-570405 and RP-2019-192594;

THENCE, S 02°10'45" E, along and with the East line said 0.6762 acre tract, at a distance of 20.87 feet passing the most Westerly Northwest corner of Unrestricted Reserve "A" of FM 1960 VIEW RESERVE, a subdivision per plat recorded under Film Code No. 700551 of the Harris County Map Records, continuing along the West line of said Unrestricted Reserve "A", same being the East line of said 0.6762 acre tract, for a total distance of 370.00 feet to an interior corner of said 0.6762 acre tract and the herein described tract, same being the most Westerly Southwest corner of said Unrestricted Reserve "A", from which a found 1/2-inch iron rod with cap stamped "PERCISION SURVEYORS" bears N 19° 55' W, 1.95 feet;

THENCE, S 88°58'01" E, a distance of 30.00 feet along and with the North line of said 0.6762 acre tract, same being along and with a Southern line of said Unrestricted Reserve "A" to a 5/8-inch iron rod with cap stamped "BGE INC" found for an Easterly corner of the herein described tract and an interior corner of said Unrestricted Reserve "A", same being the Northwest corner of a called 0.0491 acre tract as described as an instrument to Harris County Municipal Utility District No. 109 recorded under File Number RP-2021-457933 of the Official Public Records of Harris County;

THENCE, S 02°10'45" E, a distance of 20.03 feet along and with the West line of said 0.0491 acre tract and said Unrestricted Reserve "A" to the Southeast corner of the herein described tract;

THENCE, N 88°58'01" W, a distance of 50.03 feet over and across said 0.6762 acre tract to the Southwest corner of the herein described tract;

THENCE, N 02°10'45" W, continuing over and across said 0.6762 acre tract, at a distance of 190.03 feet pass the Southeast corner of a called 0.4262 acre tract as described in an instrument to Teodocio Lopez and Ana Castro recorded under H.C.C.F. No. 20120490223, continuing along and with the East line of said 0.4262 acre tract and West line of said 0.6762 acre tract, for a total distance of 390.03 feet to a 5/8-inch iron rod with cap stamped "RPLS 3674" found for the Northwest corner of the herein described tract, the most Northerly Northwest corner of said 0.6762 acre tract and the Northeast corner of said 0.4262 acre tract, lying on the South right-of-way line of said FM 1960;

HCMUD 109 BARENTS DR LS  
0.1929 OF ONE ACRE  
PROPOSED 20' WIDE SANITARY SEWER EASEMENT

MARCH 29, 2023  
JOB NO. 7528-10

THENCE, S 88°58'08" E, a distance of 20.03 feet along and with the South right-of-way line of said FM 1960, same being the North line of said 0.6762 acre tract to the **POINT OF BEGINNING** and containing 0.1929 of one acre (8,401 square feet) of land.

The above description is not to be used for fee conveyance.



Austin Woo                      RPLS No. 6852  
BGE, Inc.  
10777 Westheimer Road, Suite 400  
Houston, Texas 77042  
Telephone: (281) 558-8700  
TBPLS Licensed Surveying Firm No. 10106500



# EPA LEAD AND COPPER RULE REVISIONS



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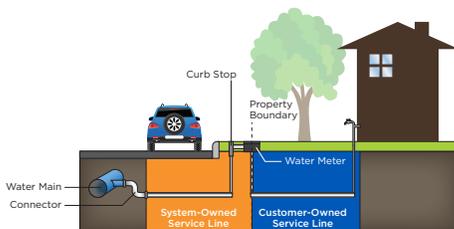
- Changes and updates to Lead and Copper Rule affecting community and non-transient non-community public water systems Lead sampling requirements
- Emphasis on schools and childcare facilities
- Lead Service Line (LSL) inventory (required by October 16, 2024)
- Lead and Copper Rule Improvements (LCRI) coming soon\*
  - Timing and requirements for unknown services and lead service line replacement
- Small water systems may choose between corrosion control treatment and lead service line replacement

\* All requirements subject to change, except LSL inventory deadline

## LSL Inventory Requirements due by October 16, 2024

- Develop inventory of service lines
  - Materials, Classification, Information Sources, Public Accessibility to information
- Include utility and private owned portions of water service (main to house, but not inside plumbing)
- Classify service lines as “Lead”, “Non-Lead”, “Galvanized Requiring Replacement” (GRR) or “Unknown”
- Develop from information already available to have as few Unknowns as possible
- Notify all customers with Lead, GRR or Unknown services within 30 days of inventory completion

\* Any installations after 1988 may automatically be classified as non-lead (after Texas adopted the Clean Water Act banning lead in drinking water systems)





## What BGE can do to help for Systems Built PRIOR to 1988?

### PHASE I:

- Develop and update an inventory using an GIS/ESRI database, using available information such as appraisal district building data, existing plans and Google Earth imagery
- Deliverable: GIS-based database with all services identified and classified as constructed either before or after 1988

### PHASE II:

- Identify and prioritize required field investigations
- Collect/verify information using GIS/ESRI collection tools
- Notify customers
- Submit inventory to TCEQ
  - Public accessibility of information as required by developing an interactive map for the District website.

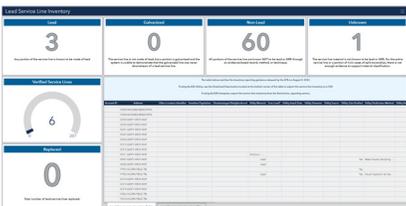


### PHASE III (Additional details provided when LCRI is released from the EPA):

- Document and track replacements required

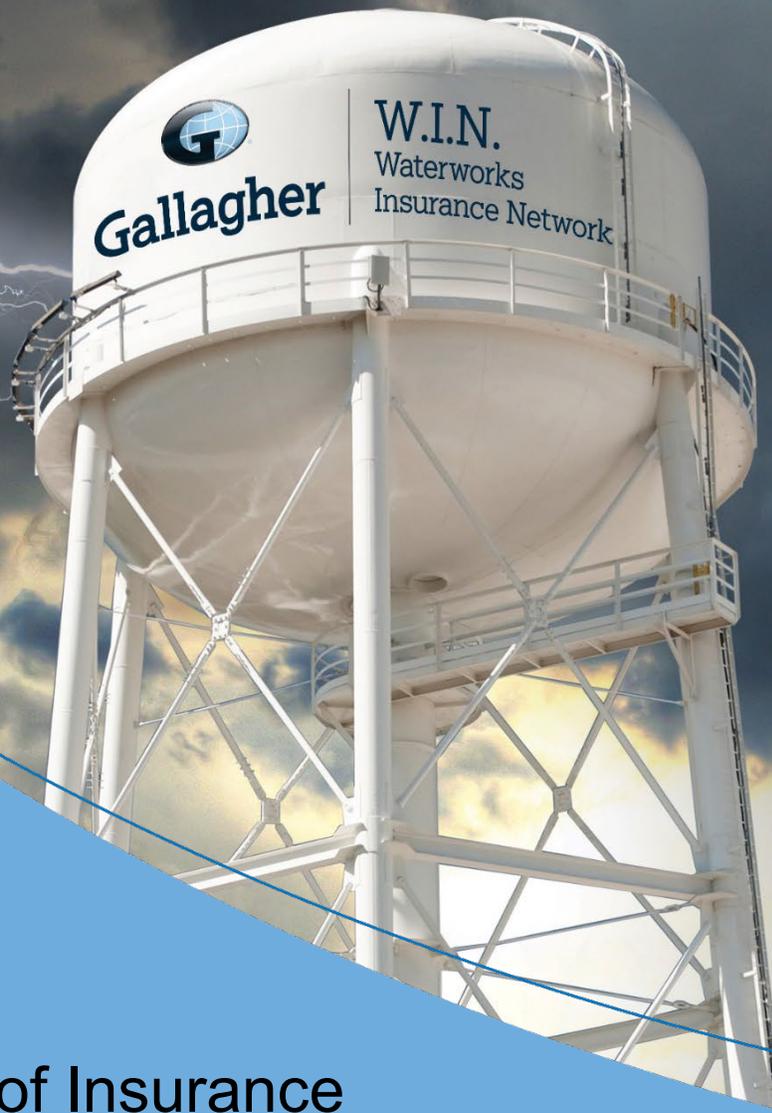
### Requirements for line replacement:

- Only full-service line replacement (both customer-owned and utility-owned portion) count toward mandatory or goal-based replacement
- Utility must replace their portion of LSL if notified by customer of private side replacement within 45 days of notification
- Provide pitcher filters/cartridges to each customer within 24 hours of and for 6 months after replacement.
- Collect a lead tap sample at locations served by replaced line within 3 to 6 months after replacement



## What BGE can do to help for Systems Built AFTER to 1988?

- Develop and update an inventory using an GIS/ESRI database. The database based on information available such as appraisal district building data, existing plans, google earth imagery, etc.
- Submit statement of no LSLs to TCEQ



# Proposal of Insurance

## HARRIS COUNTY MUD 109

C/O NORTON ROSE FULBRIGHT US LLP  
1301 MCKINNEY, SUITE 5100  
HOUSTON, TX 77010

**PRESENTED: APRIL 11, 2023**  
**EFFECTIVE: 05/22/2023 TO 05/22/2024**

THE FOLLOWING PROPOSAL IS PRESENTED BY:

Kim Courte, CPCU  
Area Vice President | W.I.N. Program Director  
Arthur J. Gallagher Risk Management Services, Inc.  
1900 West Loop South, Suite 1600  
Houston, TX 77027  
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Exhibit I



Insurance | Risk Management | Consulting  
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# Named Insured Schedule and Your W.I.N. Team

## Named Insured Schedule:

HARRIS COUNTY MUD 109

## Your W.I.N. Team:

Providing excellent service is the primary objective of Gallagher. Please call any member of the service team for assistance.

Michelle Herrera  
Client Service Manager  
michelle\_herrera@ajg.com  
713.275.1506

Julie Collette  
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Area Vice President  
W.I.N. Program Director  
kim\_courte@ajg.com  
713.935.8805 | Cell: 281.772.1611

Sharon Manwaring  
Area Client Service Director  
sharon\_manwaring@ajg.com  
281.655.6796

# Premium & Insurance Summary

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Gallagher is responsible for the placement of the following lines of coverage:

Line of Business	Renewal Premium
Property, Flood and Extra Expense for District without WWTP which is 20% of schedule (12,990,000/63,990,000) 20% of \$84,124	\$ 16,824
Equipment Breakdown (B&M) (cost without WWTP) 20% of \$31,227	\$ 6,245
General Liability, Pollution, Pollution Cleanup & Remediation, Law Enforcement Liability and Hired- Non Owned Auto	\$ 7,184
Excess Liability -\$4m bringing the total liability coverage to 5mil including auto and pollution and law enforcement liability	\$ 2,020
Directors & Officers Liability	\$ 4,500
Crime Employee and Consultant	\$ 341
Directors Position Bond	\$ 150
Tax Assessor/Collector Bond (T. Spencer) - Gallagher will bill TAC directly Premium \$100	\$ 0
Peace Officer Bond (up to 20 officers)	\$ 100
Business Travel Accident	\$ 300
Agent Fee	\$ 678
<b>Sub- Total</b>	<b>\$ 38,342</b>
Workers' Compensation (To be Paid Directly to <b>Texas Mutual</b> by District Bookkeeper)	\$ 400
<b>Total</b>	<b>\$ 38,742</b>

Line of Business- WWTP Physical Damage Coverage Only	Premium
WWTP physical damage coverage which includes Property, Flood and Extra Expense which 80% of schedule values (51,000,000/63,990,000) 80% of \$84,124	\$ 67,300
Equipment Breakdown (B&M) (cost for WWTP) 80% of \$31,227	\$ 24,982
Agent Fee	\$ 2,211
<b>Sub-Total This is the total sharing amount for all participating districts</b>	<b>\$ 94,493</b>
<b>Grand Total ( District plus WWTP)</b>	<b>\$ 133,235</b>

**Renewal Notes:**

- Premium increase due to values increasing by \$1,550,000 and catastrophe and cost of construction increases.
- No changes in limits or deductibles except the below
- Flat flood deductible of \$50,000 and 2% wind/hail deductible which is applied to damages to building/structure
- Expiring Premium \$110,552 and Expiring property values \$62,440,000

Thank you for your business and we look forward to continuing to provide you with the best insurance program in Texas.

**\*\*Please sign on Proposal Acceptance Page and Provide Documents Required to Bind Coverage**

Any entity not named in this proposal, may not be an insured entity. This may include affiliates, subsidiaries, LLC's, partnerships and joint ventures.

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

**Higher limits are available upon request for each coverage**

**Claim Summary**

<b>DOL</b>	<b>Claim No.</b>	<b>Loss</b>	<b>Amount Paid</b>	<b>Status</b>
03/08/10	TXSP210040189	Voltage Surge caused damage to equipment	37,062.00	Closed
09/08/11	TNT-0093717	Large Bar Screen	42,430.00	Closed
10/19/11	TNT-0094516	Gail Appling. Charged water line caused electric shock	2,676.97	Closed
01/26/12	TNT-0098718	Patricia Menard stepped on meter box & injured ankle	2,073.77	Closed
11/04/13	2172-2172-4066	Lift Pump #3 at WWTP onsite LS	13,678.73	Closed
05/13/14	2172-4030-BM-01	WP#2- main breaker tripped	7,500.00	Closed
05/14/14	2172-4080-BM-01	Grinder of LS failed	30,895.00	Closed
09/13/14	2172-4275-GD-01	Sewer Backup- Kiersten Woodward	924.76	Closed
04/23/15	2172-4621-BM-01	Aeration Blower #4	0	Closed
08/17/15	2172-4794-BM-01	Belt Press at WWTP	26,672.60	Closed
08/31/16	2172-5235-GD-01	Sewer Backup-Irma Alfaro	894.88	Closed
01/19/17	2172-005446-BM-01	WWTP-Lift Station	6,430.00	Closed
08/25/17	12 005446-BM-01	Hurricane Harvey	13,750.00	Closed
12/22/17	13 005957-BM-01	WP Motor Burnt	3,180.00	Closed
12/28/20		Lift Pump Shorted	13,340.00	Closed
02/27/21	009222-000147-GD-01	Jarrell Peak Water Line Leaking	425.00	Closed
<b>Total</b>			<b>\$ 201,933.71</b>	
<b>WWTP Only</b>			<b>\$ 124,181.21</b>	

# Property Schedule

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

No.	Property Description for Facilities AND Detention Ponds Address with City, Zip Code & County	Longitude /Latitude	Replacement Cost Value Building & Contents Detention Ponds list insurable values such as grates, pumps fence	Year Built
	<b>**All locations located in Humble, TX 77346**</b>			
1-1	Fence/WWTP – <b>5003 Atascocita Road</b>	29°59'20" N 95°11'44" W	50,000,000	1980
1-2	Fence/Permanent Generator No. 1 – <b>5003 Atascocita Road</b>	29°59'20" N 95°11'44" W	500,000	1980
1-3	Fence/Permanent Generator No. 2 – <b>5003 Atascocita Road</b>	29°59'20" N 95°11'44" W	500,000	1980
2-1	Fence/Water Plant #2 – <b>20322 Burle Oak Drive</b> (Excluding well)	30°00'59" N 95°11'32" W	2,700,000	2022
2-2	Fence/Water Well #2 – <b>20322 Burle Oak Drive</b>	30°00'59" N 95°11'32" W	1,900,000	1994
2-3	Fence/ Permanent Generator – <b>20322 Burle Oak Drive</b>	30°00'59" N 95°11'32" W	450,000	2022
3-1	Fence/Water Plant #1 – <b>5722 Forest Timbers Drive</b>	30°00'10" N 95°11'12" W	950,000	1980
3-2	Fence/Water Well #1 - <b>5722 Forest Timbers Drive</b>	30°00'10" N 95°11'12" W	1,900,000	1980
3-3	Fence/1M Gal Water Tower – <b>5722 Forest Timbers Drive</b>	30°00'10" N 95°11'12" W	1,200,000	2002
3-4	Fence/15 k Hydro Tank – <b>5722 Forest Timbers Drive</b>	30°00'10" N 95°11'12" W	150,000	2019
3-5	Fence/Permanent Generator – <b>5722 Forest Timbers Drive</b>	30°00'10" N 95°11'12" W	500,000	2009
4-1	Fence/Lift Station – <b>19419 Timber Forest Drive</b>	30°00'11" N 95°11'37" W	1,000,000	1997
4-2	Fence/Permanent Generator – <b>19419 Timber Forest Drive</b>	30°00'11" N 95°11'37" W	300,000	1997
5-1	Fence/Lift Station – <b>4630 Spring Lea Drive</b>	29°59'44" N 95°12'13" W	400,000	1984
5-2	Fence/Permanent Generator – <b>4630 Spring Lea Drive</b>	29°59'44" N 95°12'13" W	100,000	1984
6-1	Fence/Lift Station – <b>20334 Timber Forest Drive</b>	30°00'53" N 95°11'16" W	300,000	1999
6-2	Fence/Permanent Generator – <b>20334 Timber Forest Drive</b>	30°00'53" N 95°11'16" W	60,000	1999
7-1	Fence/Lift Station – <b>10.5 Turtle Cove Court</b>	30°01'11" N 95°10'48" W	300,000	1999
7-2	Fence/Permanent Generator – <b>10.5 Turtle Cove Court</b>	30°01'11" N 95°10'48" W	60,000	1999
8-1	Fence/Lift Station – <b>18635 1/2 Artesian Way</b>	29°59'30" N 95°12'22" W	300,000	2003
8-2	Fence/Permanent Generator – <b>18635 1/2 Artesian Way</b>	29°59'30" N 95°12'22" W	60,000	2003
9-1	Fence/Lift Station – <b>5301 ½ Quail Trail Lane</b>	30°00'44" N 95°11'48" W	300,000	2017
9-2	Fence/Permanent Generator – <b>5301 ½ Quail Trail Lane</b>	30°00'44" N 95°11'48" W	60,000	2017
	<b>TOTAL</b>		<b>63,990,000</b>	

The proposal is based on the above information received from the engineer.

# Package Policy - Equipment Breakdown aka Boiler & Machinery

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Equipment Breakdown Aka Boiler & Machinery	<ul style="list-style-type: none"> <li>• Sudden and Accidental Breakdown of Equipment</li> <li>• Mechanical Failure</li> <li>• Electrical Surges</li> <li>• Terrorism Risk Insurance Act</li> <li>• Replacement Cost Valuation</li> <li>• Repair or Replace Whichever is Less</li> </ul>
Subject to policy terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"> <li>• Blanket Basis Coverage</li> <li>• Coinsurance Waived</li> </ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• War</li> <li>• Nuclear Hazard</li> <li>• Wear &amp; Tear</li> <li>• Lightning</li> <li>• Cyber Incident</li> </ul>

Limits	
Equipment Breakdown/Property Damage	Per Property Schedule
Extra Expense Combined with Business Income and includes Utility Interruption	\$500,000

Deductibles	
Equipment Breakdown	\$ 10,000
Utility Interruption	24 Hours
Deep well pump units 50 + feet below ground level	\$ 25,000
Extra Expense	No Separate Deductible

Annual Premium
Included Premium Summary

Carrier
Liberty Mutual Fire Insurance Company, A.M. Best Rating: A XV Admitted

# Package Policy - Property

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Real & Personal Property  Subject to policy terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"> <li>• Cause of Loss: Special</li> <li>• Terrorism Risk Insurance Act</li> <li>• Replacement Cost Valuation</li> <li>• Repair or Replace Whichever is Less</li> <li>• Coinsurance Waived</li> </ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• War</li> <li>• Nuclear Hazard</li> <li>• Governmental Action (seizure or destruction) unless to prevent spread of Fire</li> </ul>

Limits	
Blanket Building or Structure & Business Personal Property	Per Property Schedule
Blanket Flood	\$ 3,000,000
Blanket Earthquake and Earth Movement	\$ 2,500,000
Blanket Business Income & Extra Expense	\$ 2,000,000

Deductibles	
Property Perils, such as fire, lightning, theft vandalism, except as noted below	\$10,000
Flood	\$50,000
Earthquake and Earth Movement	\$25,000
Wind/Hail	2%
Business Income & Extra Expense	No Separate Deductible

Annual Premium
Included Premium Summary

Carrier
Pennsylvania Manufacturers' Association Ins. Co. A.M. Best Rating: A+XV Admitted

# Package Policy - General Liability

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
<p>General Liability</p> <p>Subject to policy terms, conditions, limitations and exclusions.</p>	<ul style="list-style-type: none"> <li>• Occurrence Policy Form</li> <li>• Bodily Injury and Property Damage</li> <li>• Liability arising from any owned property such as facilities, buildings, parks, detention ponds and lakes</li> <li>• Failure to Supply (no limitation requiring property damage)</li> <li>• Sewer Back Up</li> <li>• Products Contamination</li> <li>• Terrorism Risk Insurance Act</li> <li>• Punitive Damages</li> <li>• Duty to Defend</li> <li>• Host Liquor Liability</li> <li>• Defense Cost outside the Limit</li> <li>• Not Auditable</li> </ul>
<p>Exclusions included but not limited to:</p>	<ul style="list-style-type: none"> <li>• Access or Disclosure of Confidential or Personal Information, Data-related Liability &amp; Internet</li> <li>• Workers' Compensation</li> <li>• War</li> <li>• Employment Related Practices</li> <li>• Distribution of Material Violation of Statutes</li> </ul>
<p><b>Must Schedule:</b> Dams, Reservoirs &amp; Levees for Liability coverage to apply</p>	

Limits	
\$1,000,000	Each Occurrence
\$3,000,000	General Aggregate
\$3,000,000	Products and Completed Operations Aggregate
\$1,000,000	Personal and Advertising Injury
\$1,000,000	Damage to Rented Premises (each occurrence)
\$ 10,000	Medical Payments
Included	Law Enforcement Activity Liability

Deductibles	
Per Occurrence	None

Annual Premium
Included Premium Summary

Carrier
CUMIS Insurance Society, Inc.,      A.M. Best Rating: A XII      Admitted

# Package Policy - Pollution Liability

HARRIS COUNTY MUD 109

Effective: 05/22/2023 TO 05/22/2024

Description	
Package Pollution Liability Accidental and Unintended Pollution Incident (Gradual and Sudden)	<ul style="list-style-type: none"> <li>• Occurrence Policy Form</li> <li>• Bodily Injury, Property Damage, Clean Up Cost</li> <li>• Escape or back-up of sewage or waste-water if property damage occurs away from land you own or lease</li> <li>• Escape of fuels or lubricants from mobile equipment</li> <li>• Application of pesticides or herbicides</li> <li>• Potable water which you supply to others</li> <li>• Chemicals you use in your water or wastewater treatment</li> <li>• Natural gas or propane gas used in your treatment process</li> <li>• Heat, smoke or fumes from a hostile fire</li> <li>• Duty to Defend</li> <li>• Defense Cost Outside the Limit</li> <li>• Punitive Damages</li> <li>• Terrorism Risk Insurance Act</li> </ul>
Subject to policy terms, conditions, limitations and exclusions.	
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• Fraud</li> <li>• Workers' Compensation</li> <li>• War</li> <li>• Employment Related Practices</li> <li>• Petroleum Underground Storage Tanks</li> </ul>

Deductibles	
Per Occurrence	None

Annual Premium
Included Premium Summary

Carrier
CUMIS Insurance Society, Inc.,      A.M. Best Rating: A XII      Admitted

# Package Policy - Pollution Clean Up and Remediation

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Pollution Clean Up & Remediation  Subject to policy terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"> <li>Claims Made Policy Form</li> <li>Includes both Gradual and Sudden and Accident Occurrences</li> <li>Onsite Events (first party coverage)</li> <li>Offsite Events (third party coverage)</li> <li>Insured's Facilities Line Locations are Covered</li> <li>TCEQ Mandate To Take Corrective Action</li> <li>Voluntary Decision to Cleanup and Remediate</li> <li>Duty to Defend</li> <li>Defense inside the limit</li> <li>Punitive Damages</li> <li>Terrorism Risk Insurance Act</li> </ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>Fraud</li> <li>Workers' Compensation</li> <li>War</li> <li>Intended Damages</li> <li>Underground Storage Tank</li> </ul>
Retroactive Date	05/22/2019
Claim Definition	
"Claim" means an oral or written demand received by the insured seeking to hold the insured responsible for "bodily injury", "property damage", or "cleanup costs" covered by this policy, including service of a "suit". Costs incurred by the insured because of the same, related or continuous "pollution event" pursuant to the "ASTM" Guide for Risk Based Corrective Action, if applicable, during the "policy period" and reported to us in writing during the "Policy Term: " will be deemed to be a "claim" made during the "Policy Term: "	
Reporting Provision	
Duties in the Event of A "Claim", "Suit" or Voluntary "Cleanup Costs" a. The insured shall give our representative prompt written notice, by mail or facsimile, of any "claim", "suit" or incurred of "cleanup costs". Notice must be sent to:	
CUNA Mutual Group Attn: Claims Department PO Box 1084 Madison, Wisconsin 53701	
Limits	
\$1,000,000	Each Occurrence and Aggregate
Deductibles	
Per Claim	\$5,000
Annual Premium	
Included Premium Summary	
Carrier	
CUMIS Insurance Society, Inc.,      A.M. Best Rating: A XII      Admitted	

# Automobile Policy

HARRIS COUNTY MUD 109

Effective: 05/22/2023 TO 05/22/2024

Description	Limit	Covered Auto
Hired and Non-Owned Auto Liability	\$1,000,000	8,9

Deductibles	
Liability	None

Exclusions	
Included but not limited to:	<ul style="list-style-type: none"><li>• Nuclear Energy</li><li>• Racing</li><li>• War</li></ul>

Other Significant Terms
Subject to Favorable Motor Vehicle Reports and policy terms, conditions, limitations and exclusions.

Annual Premium
Included Premium Summary

Carrier
CUMIS Insurance Society, Inc.,      A.M. Best Rating: A XII      Admitted

Covered Autos Symbol	Symbol Name	Description of Covered Designation Symbol
1	Any Auto	Can only be used for Liability insurance. Its use provides coverage for any auto with which the insured has contact, including owned and non-owned, hired vehicles, and newly acquired vehicles. It includes coverage for non-owned auto, no-fault insurance, uninsured motorists, or physical damage insurance
2	Owned Autos Only	Only those autos you own (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos you acquire ownership of after the policy begins.
3	Owned Private Passenger Autos Only	Only the private passenger autos you own. This includes those private passenger autos you acquire ownership of after the policy begins.
4	Owned Autos Other Than Private Passenger Autos Only	Only those autos you own that are not of the private passenger type (and for Liability Coverage any trailers you don't own while attached to power units you own). This includes those autos not of the private passenger type you acquire ownership of after the policy begins.
5	Owned Autos Subject To No-Fault	Only those autos you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those autos you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned Autos Subject To A Compulsory Uninsured Motorists Law	Only those autos you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those autos you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists' requirement.
7	Specifically Described Autos	Only those autos described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any trailers you don't own while attached to any power unit described in Item Three).
8	Hired Autos Only	Only those autos you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent, or borrow from any of your employees, partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned Autos Only	Only those autos you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes autos owned by your employees, partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those autos that are land vehicles and that would qualify under the definition of mobile equipment under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

**Auto Disclaimer:**

Commercial Auto policies utilize a set of coverage symbols to stipulate a category of covered autos. One or more symbols are assigned to each coverage purchased indicating which autos that coverage applies to. Please refer to your policy and make certain that you read and understand the various auto symbols and associated descriptions. Specific symbols may apply to either a particular kind of vehicle or the vehicle's ownership status. The symbols could also differ depending upon whether the coverage is for liability or physical damage. Also, in certain circumstances, an insurance company may agree to provide coverage for an auto scenario that is not described in the auto symbols. When this occurs, a unique symbol and related description is used. If you have any questions regarding the auto symbols or associated descriptions contained in your policy, please contact us.

# Excess Liability Policy

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	Limit
Excess Limits Over Underlying Policies	\$4,000,000 Per Occurrence \$4,000,000 Aggregate
Excess Coverage  Subject to policy terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"> <li>• Occurrence Policy Form</li> <li>• Terrorism Risk Insurance Act</li> <li>• Punitive Damages</li> <li>• Duty to Defend</li> <li>• Host Liquor Liability</li> <li>• Defense Cost outside the Limit</li> </ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• Exclusions in Underlying Policies</li> <li>• Access or Disclosure of Confidential or Personal Information</li> <li>• Directors &amp; Officers Liability</li> <li>• War</li> </ul>

Schedule of Underlying Limits	Schedule of Underlying Coverages General Liability, Pollution, Auto & WC if purchased
\$1,000,000	Each Occurrence
\$3,000,000	General Aggregate
\$3,000,000	Products and Completed Operations Aggregate
\$1,000,000	Personal and Advertising Injury
\$1,000,000	Hired/Non-owned Auto Liability
Included	Employers Liability Section of Worker's Compensation
Included	Law Enforcement Liability

Deductibles	
Per Occurrence	None

Annual Premium
Included Premium Summary

Carrier
CUMIS Insurance Society, Inc.,      A.M. Best Rating: A XII      Admitted

# Directors & Officers Liability Policy

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
<p>Directors &amp; Officers Liability</p> <p>Subject to policy terms, conditions, limitations and exclusions.</p>	<ul style="list-style-type: none"> <li>• Claims Made Policy Form</li> <li>• Wrongful Act, Error or Omission</li> <li>• Defense for alleged breach of contract</li> <li>• Coverage also applies for lawful spouse or “Domestic Partner” of an insured person</li> <li>• Punitive Damages</li> <li>• Duty to Defend</li> <li>• Pay on Behalf Contract</li> <li>• Claim Trigger- May report known circumstances that may give rise to a claim</li> <li>• Claim includes formal administrative or regulatory proceedings</li> <li>• 100% Defense paid for claims that include covered and non-covered claims.</li> <li>• Terrorism Risk Insurance Act</li> <li>• If Cost of Defense are incurred by the Insured with the Insurer’s consent, the separate limit of defense does not apply.</li> </ul>
<p>Exclusions included but not limited to:</p>	<ul style="list-style-type: none"> <li>• Bodily Injury</li> <li>• Property Damage</li> <li>• Pollution</li> <li>• Privacy and Data Breach</li> </ul>
<p>Retroactive Date:</p>	<p>None</p>
<p>Pending/Prior Litigation Date and Continuity Date:</p>	<p>05/22/2019 Directors &amp; Officers</p>

Limits	
<p>\$5,000,000 D&amp;O Limit In <b>Excess</b> of the Above Limits</p> <ul style="list-style-type: none"> <li>• \$ 500,000 Dedicated for Directors &amp; Officers</li> <li>• \$1,000,000 Separate Limit of Defense</li> </ul>	<p>Per Claim and Aggregate Enhancement(s)</p>

Retention
<p>Insuring Agreement A Retention \$0 Insuring Agreement B &amp; C Retention \$1,000</p>

## Claim Definition

**Claim**” shall mean:

- (1) a written demand for monetary or non-monetary (including injunctive) relief made against any **Insured**;
- (2) a civil proceeding, including any appeals therefrom made against any **Insured** seeking monetary or non-monetary (including injunctive) relief commenced by service of a complaint or similar pleading;
- (3) a criminal proceeding, including any appeals therefrom made against any **Insured** commenced by the return of an indictment or the filing of notice of charge or similar document,
- (4) a formal administrative proceeding, including any proceeding before the Equal Employment Opportunity Commission (EEOC) or any similar governmental body, made against any **Insured** commenced by the receipt of charges, formal investigative order, service of summons or similar document;
- (5) any arbitration, mediation or similar alternative dispute resolution proceeding if any **Insured** is obligated to participate in such proceeding; or
- (6) a written agreement to toll any applicable statute of limitation prior to the commencement of any judicial, administrative, regulatory or arbitration proceeding.

In no event shall the term **Claim** include any labor or grievance proceeding which is subject to a collective bargaining agreement.

## Reporting Provision

### SECTION VII. Notice of Claim

- A.** The **Insureds** shall, as a condition precedent of their rights under this Policy, give the **Insurer** notice in writing of any **Claim** made during the **Policy Period**. Such notice shall be given as soon as practicable after the date the President, Executive Director, Chief Financial Officer, General Counsel, or person with equivalent responsibility has knowledge of the **Claim**, and in no event later than ninety (90) days after the end of the **Policy Year**.
- B.** If during the **Policy Period** or **Discovery Period**, any **Insured** first becomes aware of a specific **Wrongful Act** and gives notice to the **Insurer** of: (1) the specific **Wrongful Act**; (2) the injury or damage which has or may result therefrom; and (3) the circumstances by which the **Insured** first became aware thereof; then any **Claim** arising out of such **Wrongful Act** which is subsequently made against the **Insured** shall be deemed to have been made at the time the **Insurer** received such written notice from the **Insured**.
- C.** In addition to furnishing the notice as provided in Section VIII A or B, the **Insured** shall, as soon as practicable, provide the **Insurer** with copies of reports, investigations, pleadings and other documents in connection therewith, and shall provide all information, assistance and cooperation which the **Insurer** reasonably requests and do nothing to prejudice the **Insurer's** position or its potential or actual rights of recovery.

Notice to the **Insurer** as provided in Section VII A or B shall be emailed to [ELDClaims@gaic.com](mailto:ELDClaims@gaic.com) or mailed to **GREAT AMERICAN INSURANCE GROUP, EXECUTIVE LIABILITY DIVISION, CLAIMS DEPARTMENT, P.O. BOX 66943, CHICAGO, IL 60666.**

## Annual Premium

Included Premium Summary

## Carrier

Great American Insurance Company, A.M. Best Rating: A+XV Admitted

# Crime/Consultant Bond

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
<p>Crime</p> <p>Subject to policy terms, conditions, limitations and exclusions.</p>	<ul style="list-style-type: none"> <li>• Protection for loss caused to named insured through failure of any employee/consultant to perform faithfully their duties or to account properly for all monies and property received by virtue of their position or employment.</li> <li>• Any Limit purchased applies per employee/consultant up to \$100,000.</li> <li>• Any limit purchased \$100,000 and over is provided on a per losses basis rather than each basis.</li> </ul>
<p>Exclusions included by not limited to:</p>	<ul style="list-style-type: none"> <li>• Governmental Action of Seizure or Destruction</li> <li>• Accounting or Arithmetical Errors or Omissions</li> <li>• Inventory Shortages</li> </ul>
<p>Loss Caused by</p> <p>Loss Caused by Consultants for Insured</p>	<ul style="list-style-type: none"> <li>• Direct Employees</li> <li>• Attorney</li> <li>• Operator</li> <li>• Bookkeeper</li> <li>• Engineer</li> <li>• Delinquent Tax Attorney</li> </ul>

Limit
\$ 100,000

Deductible
Per Occurrence      None

Annual Premium and Limits
Included Premium Summary

Carrier
The Ohio Casualty Insurance Company, a Liberty Mutual Company A.M. Best Rating: A XV Admitted

# Directors Position Bond

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Directors Position Bond  Subject to bond terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"><li>• Provides coverage for loss caused to the District through the failure of Directors to perform faithfully their duties or to account properly for all monies and property received by virtue of their position as Director</li><li>• Continuous until cancelled</li></ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"><li>• Loss occurring prior to date of bond issued</li></ul>

Limits	
\$10,000	Each Director (5)
\$50,000	General Aggregate

Deductibles	
Per Occurrence	None

Annual Premium	
Included Premium Summary	

Carrier	
The Ohio Casualty Insurance Company, a Liberty Mutual Company A.M. Best Rating: A XV Admitted	

# Tax Assessor/Collector Bond

HARRIS COUNTY MUD 109

Effective: 05/22/2023 TO 05/22/2024

Coverage	
Tax Assessor Collector Bond  Subject to bond terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"><li>Covers the faithful performance and discharge of all the duties required by law as the Tax Assessor/ Collector and to pay over to the depository of the District all funds or other things of value coming into his hands as Tax Assessors/Collectors.</li><li>Continuous until cancelled</li></ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"><li>Loss occurring prior to date of bond issued</li></ul>
Limit	
\$ 50,000	
Deductibles	
Per Occurrence	None
Annual Premium & Limits	
Included Premium Summary	
Carrier	
The Ohio Casualty Insurance Company, a Liberty Mutual Company A.M. Best Rating: A XV Admitted	

- **Tim Spencer**

# Peace Officer Bond

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Peace Officer Bond	<ul style="list-style-type: none"><li>Provides coverage for the faithful performance and discharge of all the duties required by law for Peace Officer.</li><li>Continuous until cancelled</li></ul>
Subject to bond terms, conditions, limitations and exclusions.	
Exclusions included but not limited to:	<ul style="list-style-type: none"><li>Loss occurring prior to date of bond issued</li></ul>

Limits	
\$ 1,000	Each Officer (up to 20 officers)
\$20,000	General Aggregate

Deductibles	
Per Occurrence	None

Annual Premium & Limits
Included Premium Summary

Carrier
The Ohio Casualty Insurance Company, a Liberty Mutual Company A.M. Best Rating: A XV Admitted

# Workers' Compensation Policy

HARRIS COUNTY MUD 109

Effective: 05/22/2023 TO 05/22/2024

Description	
Workers' Compensation (Part One ) And Employers Liability (Part Two)	<ul style="list-style-type: none"> <li>• Bodily Injury to Employees</li> <li>• Terrorism</li> <li>• Duty to Defend</li> <li>• Defense Cost outside the Limit</li> <li>• Covered State Texas Only</li> <li>• Include Owner/Officers</li> <li>• Out of Network</li> </ul>
Subject to policy terms, conditions, limitations and exclusions.	
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• Voluntary Compensation</li> <li>• USL&amp;H</li> <li>• Federal Employers Liability Act (Jones Act)</li> </ul>
Audit	<ul style="list-style-type: none"> <li>• Auditable</li> </ul>
Subject to Audit	<ul style="list-style-type: none"> <li>• At Expiration</li> </ul>
Minimum Premium	<ul style="list-style-type: none"> <li>• \$250</li> </ul>

Limits	
Statutory	Part One - Workers' Compensation
\$1,000,000	Part Two - Employers' Liability Each Accident
\$1,000,000	Part Two - Employers' Liability Disease-Policy Limit
\$1,000,000	Part Two - Employers' Liability Disease-Each Employee

Exposure Description	Code	Payroll
Clerical/Directors	8810	\$39,107
Water	7520	\$ If Any

Deductibles	
Per Occurrence	None

Annual Premium
Included Premium Summary

Carrier
Texas Mutual Insurance Company: A.M. Best Rating: A XV Admitted

# Business Travel Accident Policy

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

Description	
Business Travel Accident  Subject to policy terms, conditions, limitations and exclusions.	<ul style="list-style-type: none"> <li>• Provides 24 Hour Coverage while traveling on District Business Trips for Accidental Death &amp; Dismemberment.</li> <li>• Paralysis Benefit</li> <li>• Rehabilitation Benefit</li> <li>• Seatbelt &amp; Occupant Protection Device Benefit</li> <li>• Psychological Therapy</li> <li>• Rehabilitation Benefit</li> <li>• Adaptive Home and Vehicle Benefit</li> </ul>
Exclusions included but not limited to:	<ul style="list-style-type: none"> <li>• Acrobatics or Stunt Flying</li> <li>• Racing</li> <li>• Crop Dusting</li> </ul>

Limits	
\$250,000	Director(s)
\$ 50,000	Spouse
\$ 25,000	Children

Annual Premium
Included Premium Summary

Carrier
Federal Insurance Company, A.M. Best Rating: A++XV Admitted

# Coverages for Consideration

## HARRIS COUNTY MUD 109

### Overview

Gallagher recommends that you consider purchasing the following additional coverages for which you have exposure. A Proposal for any of the coverages below can be provided.

- Flood either for purchase or higher limits
- Umbrella either for purchase or higher limits
- Cyber Liability either for purchase or higher limits

Please note the recommendations and considerations summarized in this section are not intended to identify all potential exposures. Gallagher is not an expert in all aspects of your business and assumes no responsibility to independently investigate the risks your business faces. Gallagher has relied upon the information you provided in making our insurance Proposals. If you are interested in pursuing additional coverages other than those listed above, please list the additional coverages in the Client Authorization to Bind.

# Proposal Acceptance and Client Authorization To Bind Coverage

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

After careful consideration of Gallagher's Proposal dated 05/22/2023, you accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

COVERAGE/CARRIER	
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>General Liability, Law Enforcement Liability, Pollution Liability, Clean Up, Excess Liability</b>
	CUMIS Insurance Society, Inc.
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>TRIA</b> Included in Above Program
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Auto Liability</b>
	CUMIS Insurance Society, Inc.
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Property, Flood</b>
	Pennsylvania Manufacturers' Association Ins. Co
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>TRIA</b> Included in Above Program
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>B&amp;M</b>
	Liberty Mutual Fire Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>TRIA</b> Included in Above Program
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Directors &amp; Officers Liability</b>
	Great American Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Crime/Consultants Bond</b>
	The Ohio Casualty Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Directors Bond</b>
	The Ohio Casualty Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Tax Collector Bond</b>
	The Ohio Casualty Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Peace Officer Bond</b>
	The Ohio Casualty Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Workers' Compensation</b>
	Texas Mutual Insurance Company
<input type="checkbox"/> <b>Accept</b> <input type="checkbox"/> Reject	<b>Business Travel Accident</b>
	Federal Insurance Company

**Additional Recommended Coverages**

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By checking the box(es) below, you are requesting that Gallagher provide you with a Proposal for this coverage. By not requesting a Proposal for this coverage, you assume the risk of any uncovered loss.

Cyber Liability  Mobile Equipment Scheduled/Leased/Rented

Higher Limits: Please state coverage and requested limit(s): \_\_\_\_\_

The above coverage(s) does not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those listed in the Additional Recommended Coverages, please list below:

\_\_\_\_\_

**Other Services to Consider**

By checking the box(es) below, you are requesting that Gallagher provide you with additional information for the following services:

- Gallagher STEP
- eRiskHub

**Coverage Amendments and Notes:**

**Fee Agreement**

In addition to commission received by Gallagher for the policy term reflected herein, effective 05/22/2023, Gallagher will receive a fee of \$2889 for Harris County MUD 109] program administration.

This fee IS NOT refundable, is fully earned by signing below, and is due and payable within thirty (30) days of such signing. Any placements that require the payment of additional state or federal taxes and/or fees are the client’s responsibility.

By accepting this fee agreement, we agree and understand that it reflects services to be provided that have been discussed with and fully disclosed to us, and the above fee is consistent with our understanding. This agreement and any disputes that arise out of this fee agreement shall be governed by the laws of the state of Illinois.

**Exposures and Values**

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

**Additional Terms and Disclosures**

Gallagher is not an expert in all aspects of your business. Gallagher’s Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher’s services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of such claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher’s Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By:

\_\_\_\_\_ Print Name (Specify Title)

\_\_\_\_\_ Company

\_\_\_\_\_ Signature

Date: \_\_\_\_\_



# Documents Required To Bind Coverage

HARRIS COUNTY MUD 109

**Effective: 05/22/2023 TO 05/22/2024**

## In order to bind coverages, please provide the following documents

- Complete set of Signed Proposal including Acceptance and Client Authorization to Bind (Previous Page)
- **Payment of Gallagher Invoice Due By (05/22/2023)**

## Bindable Quotations and Compensation Disclosure Schedule

Coverage(s)	Carrier Name(s)	Wholesaler, MGA, or Intermediary Name 1	Estimated Annual Premium 2	Comm. % or Fee 3	Gallagher U.S. Owned Wholesaler, MGA, or Intermediary %
General Liability Pollution, clean up, Excess	CUMIS Insurance Society, Inc.	McKee Risk Mgt.	\$ 7084	15%	N/A
Real & Personal Property, Flood & Earthquake, Inland Marine,	Pennsylvania Manufacturers' Association Ins. Co	McKee Risk Mgt.	\$ 84124	15%	N/A
Auto Policy	CUMIS Insurance Society, Inc.	McKee Risk Mgt.	\$ 100	15%	N/A
Directors & Officers	Great American Insurance Company	N/A	\$ 4500	20%	N/A
Crime/Consultants Bond	The Ohio Casualty Insurance Company	N/A	\$ 341	20%	N/A
Directors Position Bond	The Ohio Casualty Insurance Company	N/A	\$ 150	30%	N/A
Tax Assessor/Collector Bond	The Ohio Casualty Insurance Company	N/A	\$ 100	30%	N/A
Workers' Compensation	Texas Mutual Insurance Company	N/A	\$ 400	9%	N/A
Business Travel Accident	Federal Insurance Company	N/A	\$ 300	25%	N/A
Equipment Breakdown	Liberty Mutual Fire Ins Company	RPS	\$ 31227	20%	10%

1. We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.
2. If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.
  - \* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
3. The commission rate is a percentage of annual premium excluding taxes & fees.

# Guide to A.M. Best Ratings

## W.I.N. PROGRAM CARRIER RATINGS AND ADMITTED STATUS

Proposed Insurance Companies	A.M. Best's Rating & Financial Size Category*	Admitted/Non-Admitted**
CUMIS Insurance Society, Inc.,	A XII	Admitted
Great American Insurance Company	A+XV	Admitted
Pennsylvania Manufacturers' Association Ins. Co	A+XV	Admitted
Chubb/Federal Insurance Company	A++ XV	Admitted
Texas Mutual Insurance Company	A XV	Admitted
BCS Insurance Co.	A- VIII	Admitted
Hartford Casualty Insurance Company	A+XV	Admitted
Hartford Fire Insurance Company	A+XV	Admitted
The Ohio Casualty Insurance Company	A XV	Admitted

\*Gallagher companies use A.M. Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. Best's Credit Ratings™ are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings™ and Guide to Best's Credit Ratings, visit the A.M. Best website at <http://www.ambest.com/ratings>.

\*\*If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change

# Proposal Disclosures

## NAMED INSURED DISCLAIMER

**Note:** Any entity not named in this proposal, may not be an insured entity. This may include affiliates, subsidiaries, LLC's, partnerships and joint ventures.

## COMPENSATION DISCLOSURE

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-Out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third-parties, please contact Gallagher via e-mail at [Compensation\\_Complaints@ajg.com](mailto:Compensation_Complaints@ajg.com) or by regular mail at:

Chief Compliance Officer  
Gallagher Global Brokerage  
Arthur J. Gallagher & Co.  
2850 West Golf Rd.  
Rolling Meadows, IL 60008

## TRIA/TRIPRA DISCLAIMER

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

## TEXAS HOUSE BILL 89 COMPLIANCE

As required by Chapter 2270, Government Code, Gallagher hereby verifies that it does not boycott Israel and will not boycott Israel through the term of the policies included in this proposal. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

## FOREIGN TERRORIST ORGANIZATIONS

Pursuant to Chapter 2252, Texas Government Code, Gallagher represents and certifies that, at the time of execution of this proposal neither Gallagher, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

## VERIFICATION DESIGNATED COUNTRY VERIFICATION

Pursuant to Chapter 2274 (as added by Senate Bill 2116, 87th Legislature Regular Session), Texas Government Code, Gallagher verifies that a) neither Gallagher, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Gallagher, nor any of its sub-contractors (i) is owned or controlled by (a) individuals who are citizens of China, Iran, North Korea, Russia or any designated country; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, of any designated country; and (ii) is headquartered in China, Iran, North Korea, Russia or a designated country. The term "designated country" means a country designated by the Governor as a threat to critical infrastructure under Section 113.003 of the Texas Business & Commerce Code.

## NO DISCRIMINATION OF FIREARM ENTITY OR FIREARM TRADE ASSOCIATION VERIFICATION

Pursuant to Chapter 2274 (as added by Senate Bill 19, 87th Legislature Regular Session), Texas Government Code, Gallagher verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. "Discriminate against a firearm entity or firearm trade association" has the meaning assigned by Section 2274.001(3), Government Code. For purposes of this paragraph, "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit. The term does not include a sole proprietorship.

## POOL FUNDING DISCLAIMER

Gallagher does not provide actuarial services or actuarial estimates of losses. If the excess insurer or reinsurer that provides excess coverage calculates a loss fund for the pool, it is our recommendation that the pool fully fund that amount. Further, it is our recommendation that the pool contract with an appropriately certified actuary to provide recommendations for overall pool funding, surplus and reserve funds.

# Proposal Terms and Conditions

## **Terms and Conditions**

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these "Terms") govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the "**CAB**") included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.

## **Services**

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher's assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

## **Treatment of Information**

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects' rights, as applicable. To the extent applicable under associated data protection laws, you are a "business" or "controller" and Gallagher is a "service provider" or "data processor." You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher's Privacy Policy located at <https://www.aig.com/privacy-policy>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

## **Dispute Resolution**

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we'd like to clearly outline the resolution process.

A. If the parties have a dispute regarding Gallagher's services or the relationship governed by this Proposal ("**Dispute**"), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.

B. The party asserting a Dispute must provide a written notice ("**Notice**") of the claim to the other party and to the American Arbitration Association ("**AAA**") in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL, unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.

C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

**Electronic Delivery**

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

**Miscellaneous Terms**

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.

## Claims Reporting By Policy

**Immediately report all claims.** Each insurer requires notice of certain types of claims depending on the potential exposure or particular injury types. It is important to thoroughly review your policy to ensure you are reporting particular incidents and claims, based upon the insurer's policy requirements.

If you are using a third party administrator ("TPA"), your TPA may or may not report claims to an insurer on your behalf. Although we will assist you where requested, it is important that you understand whether your TPA will be completing this notification.

### Reporting Direct to Carrier [Only When Applicable]

COVERAGE(S):	IMMEDIATELY REPORT CLAIMS DIRECTLY TO:	
Cyber liability/breach response claims	<p><b>Notice of Claim</b>  <a href="mailto:joan.dambrosio@clydeco.us">joan.dambrosio@clydeco.us</a>                      Clyde &amp; Co. US LLP                      101 Second Street, 24th Floor                      San Francisco CA 94105  <b>24 Hour Security Breach Hotline</b>  <b>866.288.1705</b>                      Baker &amp; Hostetler LLP                      45 Rockefeller Plaza                      New York, NY 10111-0100</p>	
All claims may be reported via email to any of the following:	<p>Michelle Herrera                      Client Service Manager  <a href="mailto:michelle_herrera@ajg.com">michelle_herrera@ajg.com</a>                      713.275.1506                      Jessica Salias                      Client Services Manager  <a href="mailto:jessica_salias@ajg.com">jessica_salias@ajg.com</a>                      713.358.5928</p>	<p>Julie Collette                      Client Service Manager  <a href="mailto:julie_collette@ajg.com">julie_collette@ajg.com</a>                      713.243.2182                      Lauren Peyton                      Client Service Manager  <a href="mailto:lauren_peyton@ajg.com">lauren_peyton@ajg.com</a>                      713.243.2170</p>

### Reporting to Gallagher or Assistance in Reporting

COVERAGE(S):	IMMEDIATELY REPORT CLAIMS DIRECTLY TO:
Gallagher Claim Center	<p>Phone: 855-497-0578                      Fax: 225-663-3224                      Email: <a href="mailto:ggb.nrcclaimscenter@ajg.com">ggb.nrcclaimscenter@ajg.com</a></p>

# Appendix

We help you face your future with confidence.



Gallagher's holistic approach keeps your total cost of risk—and your best interest—in focus. With expertise where you most need it, Gallagher delivers the solutions that let businesses grow. Communities thrive. And people prosper.

GLOBAL REACH. LOCAL PRESENCE.

Founded in  
**1927**

**\$5B**  
Total Adjusted Brokerage & Risk Management Revenues (2018)

**30,000+**  
Employees worldwide

**850+**  
Offices in 35 countries

**150+**  
Countries served

## HIGHLY SPECIALIZED. DEEP EXPERTISE.

- |                             |                            |                               |
|-----------------------------|----------------------------|-------------------------------|
| Alternative Risk & Captives | Environmental              | Private Client Services       |
| Aviation                    | Enterprise Risk Management | Property                      |
| Casualty                    | Equity Advisors            | Risk Management               |
| Commercial Surety & Bonds   | Fine Arts                  | Trade Credit & Political Risk |
| Cyber Liability             | Law Firms                  | Insurance                     |
| Entertainment               | Management Liability       |                               |

## OUR APPROACH TO RISK.



**CORE360™** is our unique, comprehensive approach of evaluating our client's risk management program that leverages analytical tools and diverse resources for customized, maximum impact on six cost drivers of their total cost of risk.

## 22+ INDUSTRY PRACTICES



### LEADERS WHERE IT COUNTS

Gallagher Named One of the World's Most Ethical Companies® for 2019

The only insurance broker to have received this honor, Gallagher has been named as one of the World's Most Ethical Companies by the Ethisphere® Institute, a global leader in defining and advancing the standards of ethical business practices, eight years in a row.

Gallagher has been designated as one of the "World's Best Employers" by Forbes Magazine for 2018.

This is a great honor that is given to just 500 companies around the world each year. Designation recipients are determined by an independent collection and analysis of anonymous employee reviews collected by Statista, a leading statistical agency. Gallagher was the only Insurance Brokerage to be honored with this designation for 2018.



### SHARED VALUES + PASSION FOR EXCELLENCE = PROMISES DELIVERED

#### The Gallagher Way

25 tenets that have guided a team-oriented culture for 30+ years

#### Social Responsibility

Companywide focus on ethical conduct, employee health and welfare, environmental integrity and community service

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Gallagher

eRiskHub®



To access the Gallagher | eRiskHub® now:

1. Navigate to <https://eriskhub.com/gallagher>
2. Complete the new user registration at the bottom of the page. Choose your own user ID and password. The access code is 447597.
3. After registering, you can access the hub immediately using your newly created credentials in the member login box located at the top right of the page.

## The Gallagher Way. Since 1927.

The information contained herein is offered as insurance industry guidance and provided as an overview of current market risks and available coverages and is intended for discussion purposes only. This publication is not intended to offer legal advice or client-specific risk management advice. Any description of insurance coverages is not meant to interpret specific coverages that your company may already have in place or that may be generally available. General insurance descriptions contained herein do not include complete insurance policy definitions, terms, and/or conditions, and should not be relied on for coverage interpretation. Actual insurance policies must always be consulted for full coverage details and analysis.

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## Cyber Liability

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# eRiskHub® Overview and Login Information

The evolution of the cyber risk landscape has brought with it broad, sweeping regulations to address cybersecurity exposures. This digital transformation also presents new risks, including financial losses, for every industry. Gallagher's Cyber Practice delivers expertise alongside cyber risk management and insurance placement services, as well as a better way to construct risk management solutions. CORE360™ — our comprehensive approach of evaluating our client's risk management program — leverages our analytical tools and diverse resources for customized, maximum impact on six cost drivers of their total cost of risk. First, we consult with you to understand all of your actual and potential costs, then find the best options to reallocate these costs based on strategic actionable insights empowering you to know, control and minimize your total costs increasing profitability.

Additionally, our data-driven CORE360™ approach allows us to implement programs for your business that will increase safety, minimize losses, mitigate claims and proactively analyze your cyber risk posture.

### Key Features of the Gallagher | eRiskHub®

- Gallagher Cyber Risk Due Diligence — A six-step process designed to walk clients through a simple, thought-provoking framework to encourage organizational communication, establish clear direction and highlight priorities to better understand your cyber risk profile.
- Risk Manager Tools — A collection of tools with many different purposes such as researching known breach events, calculating your potential cost of a breach event and downloading free sample policies your organization can use as templates.
- News Center — Keeps you up to date on what is going on in the world of cyber risk through handpicked articles, feeds and blogs.
- Learning Center — An extensive collection of white papers, articles, webinars, videos and blog posts on a variety of topics. (Looking for something specific? Try the search box at the top right of the page to search the entire Gallagher | eRiskHub®).
- Security & Privacy Training — An overview of best practices for creating an effective security training program for employees.
- Strategic Third-Party Relationships and Partner Resources — Information on third-party vendors that can assist your organization with improving your overall cyber risk.

As cyber risk evolves, so does our commitment to thought leadership. Our global cyber teams focus exclusively on cyber risk, and uniquely position Gallagher to share our knowledge, expertise and experience for the benefit of our clients.

If you have any questions about the Gallagher | eRiskHub®, please reach out to your broker.

RESOLUTION AUTHORIZING INDEMNIFICATION OF DIRECTORS

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109 §

WHEREAS, Harris County Municipal Utility District No. 109 (the “District”) is a political subdivision of the State of Texas operating under Chapters 49 and 54 of the Texas Water Code; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined it is in the best interest of the District to indemnify its directors and former directors to the fullest extent allowed by law against all third-party claims and demands asserted against a director or former director by reason of his service on the Board;

NOW, THEREFORE, BE IT RESOLVED:

1. The District hereby indemnifies its directors and former directors to the fullest extent allowed by law against all third-party claims and demands asserted against a director or former director by reason of his service on the Board.

2. Such indemnification shall be paid from current available revenues and shall be paid only to the extent insurance proceeds are not available to cover the claim or loss.

3. The President and the Secretary of the Board are authorized to evidence adoption of this Resolution on behalf of the Board and to do all other things necessary or proper to carry out the intent hereof.

Dated: April 18, 2023.

\* \* \*

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
Secretary