

MINUTES OF MEETING OF BOARD OF DIRECTORS  
November 9, 2017

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 136

The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 136 (the “*District*”) met in regular session, open to the public, at 4045 Deerfield Village Drive, Houston, Texas at 6:00 p.m. on November 9, 2017; whereupon the roll was called of the members of the Board, to wit:

Neil Polansky, President  
Barry Greer, Vice President  
Brent Phelps, Assistant Vice President  
Jay Singleton, Secretary  
Adam Rodriguez, Assistant Secretary

**Persons Attending.** All members of the Board were present. Also attending all or parts of the meeting were Mr. Keith Arrant of Municipal Operations & Consulting, Inc. (“MOC”), operator for the District; Mr. Bob Wempe of AECOM Engineering, Engineer for the District; Ms. Patty Rodriguez of Bob Leared Interests (“BLI”), tax assessor and collector for the District; and Ms. Jane Maher, paralegal of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District.

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

1. **Minutes.** Proposed minutes of the meeting of October 16, 2017, previously distributed to the Board, were considered for review and approval. Upon motion by Director Singleton, seconded by Director Phelps, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of October 16, 2017, as presented.

Proposed minutes of the meeting of November 4, 2017, previously distributed to the Board, were considered for review and approval. Upon motion by Director Singleton, seconded by Director Phelps, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of November 4, 2017 as presented.

2. **Public comments.** There were no public comments.

3. **Review Bookkeeper’s Report, investment report and authorize payment of bills.** The President presented to the Board the Bookkeeper’s Report, a copy of which is attached hereto as Exhibit “B.”

Upon motion by Director Phelps, seconded by Director Singleton, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper’s

Report, and to authorize payment of check nos. 9137 through 9347 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

**4. Review Tax Assessor and Collectors Report and authorize payment of bills.** The President recognized Ms. Rodriguez, who presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as Exhibit "C." Ms. Rodriguez stated that the District has collected 3.45% of the 2017 taxes as of October 31, 2017.

Upon motion by Director Greer, seconded by Director Phelps, 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 1157 and 1158 from the Tax Account in the amounts, to the persons, and for the purposes listed in such report.

**5. Delinquent Tax Attorney Report and take any necessary action regarding delinquent accounts including termination of service.** There was no report this month.

**6. Review Engineer's Report, Jackrabbit Road Public Utility District ("Jackrabbit") matters, Asset Management Plan, and take appropriate action on engineer's recommendations.** The President recognized Mr. Wempe, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "D." Mr. Wempe stated that progress payment no. 3 for the repainting of the ground storage tanks in the amount of \$156,449.70 has been submitted for payment. He also stated that N.G. Painting is requesting an additional \$12,600 for the rafter replacements. It was the consensus of the Board to deny the request for the additional \$12,600.

The Board discussed the Jackrabbit lift station operations. The Board proposed the possibility of adding an auto dialer to the lift station. The Board requested that Ms. Maher discuss the possibility of the addition with the District's attorney.

Mr. Wempe stated that a draft of the District's asset management plan would be provided later this month.

**7. Review Operations Report, authorize repairs, and authorize termination of services to delinquent accounts.** The President recognized Mr. Arrant, who reviewed with the Board the Operations Report, a copy of which is attached hereto as Exhibit "E." Mr. Arrant stated that there are a total of 1,078 connections in the District, five of which are vacant. He stated that MOC took four bacteriological samples and all results came back negative.

Mr. Arrant reported on various repairs throughout the District.

Mr. Arrant reported that a segment of an 18-inch wastewater line along Pine Valley Drive failed. He stated that AECOM requested authorization to proceed with the emergency repair from the Texas Commission on Environmental Quality ("TCEQ"). He stated that TCEQ authorized the emergency repair, and that MOC has provided an updated traffic control plan to Harris County.

Mr. Arrant stated that he will provide quotes at the next meeting for the repairs to the water plant fence.

Upon motion by Director Singleton, seconded by Director Phelps, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Operations Report and to terminate service to those accounts listed on the Cut Off List.

8. **Discuss Jackrabbit Road Wastewater Treatment Plant, Lift Station operation, and board member attendance, and take appropriate action.** The President stated that a member of the Board should attend the next meeting.

9. **Discuss Water Plant fence condition and develop plan for systematically repairing and/or replacing portions of the fence.** This item was addressed under the Operator's Report.

10. **Consider insurance proposals (expires January 14, 2018).** The Board reviewed the insurance proposal from Arthur J. Gallagher & Co. Waterworks Insurance Network, a copy of which is attached hereto as Exhibit "F." The Board requested that a representative attend the next meeting.

11. **Discuss District website and take appropriate action.** Director Rodriguez stated that he will update the website.

12. **Discuss trash and recycling collection operations and take appropriate action.** Ms. Maher informed the Board that the District's trash and recycling contracts expire on January 31, 2019 and September 30, 2020. She stated that the District would not be able to terminate their trash and recycling contracts, unless the District notifies Waste Corporation of America ("WCA") and Residential Recycling ("Residential") of specific areas of dissatisfaction and WCA and Residential fail to fix the issues. It was the consensus of the Board to revisit proposals in the summer of 2018.

13. **Report on WHCRWA monthly meeting.** Director Rodriguez reported on the WHCRWA meeting and their rate increases.

14. **Review Article for DVCA Newsletter.** Director Singleton stated that he will prepare the DVCA Newsletter.

15. **Review agenda items for next meeting (December 14, 2017) and such other matters as may properly come before the board.**

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

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The above and foregoing minutes were passed and approved by the Board of Directors on December 14, 2017.

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President, Board of Directors

ATTEST:

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Secretary, Board of Directors

(DISTRICT SEAL)