

MINUTES OF MEETING OF BOARD OF DIRECTORS
April 12, 2018

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 April 12, 2018; 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; Ms. Rose Montelbano of F. Matuska, Inc., bookkeeper for the District; Ms. Patty Rodriguez of Bob Leared Interests (“BLI”), tax assessor and collector for the District; Mr. Eric Worthington, resident of the District; Mr. Eric Toureilles, member of the Deerfield Village Community Association; 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 March 8, 2018, previously distributed to the Board, were considered for review and approval. Upon motion by Director Singleton, seconded by Director Greer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of March 8, 2018, as presented.
2. **Public comments.** There were no public comments.
3. **Review Bookkeeper’s Report, investment report and authorize payment of bills.** The President recognized Ms. Montelbano, who presented to the Board the Bookkeeper’s Report, a copy of which is attached hereto as Exhibit “B.” Ms. Montelbano stated that she will update the electricity consumption report with the correct years.

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. 9444 through 9471 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 had collected 98.2% of the 2017 taxes as of March 31, 2018.

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 Tax Assessor and Collector's Report, and to authorize payment of check nos. 1175 and 1176 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. Consider Windsong Trail road reconstruction project by Harris County Precinct 3 and take appropriate action. The President recognized Mr. Tourelles, who stated that the Windsong Trail road reconstruction project is still in the planning stage. He stated that the Deerfield Village Community Association ("DVCA") approached Harris County Precinct 3 to see if Harris County Precinct 3 would be willing to grant a foot off the easement to the DVCA. Mr. Worthington stated that he will follow up on the status of the request, as he works at the precinct.

7. Review Engineer's Report, Jackrabbit Road Public Utility District ("Jackrabbit") matters, Asset Management Plan, and take appropriate action on engineer's recommendations. There was no Engineer's Report. The Board discussed having a special meeting to discuss the Asset Management Plan during the week of April 23, 2018.

8. 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 "D."

Mr. Arrant stated that there are a total of 1,078 connections in the District, three of which are vacant. He stated that MOC took four bacteriological samples and all results came back negative.

Mr. Arrant stated that there was one service line leak in the District.

Mr. Arrant reviewed MOC's invoice with the Board.

Mr. Arrant reported that the District was on interconnect with Harris County Municipal Utility District No. 183 ("HCMUD No. 183") for one night due to the well not properly shutting off. He stated that the District's payment for the water used will be in kind.

The Board discussed the District's drought contingency plan and requested that it be included on the next agenda.

Upon motion by Director Greer, seconded by Director Singleton, 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.

9. Discuss Jackrabbit Road, Wastewater Treatment Plant, Communication Plan, Lift Station operation, and board meeting attendance and take appropriate action. Director Singleton stated that he attended the Jackrabbit Road meeting. He reported that all

electrical repairs have been completed, but that Jackrabbit is still having problems with the generator so there are still two temporary generators. He also stated that Jackrabbit is still working on their emergency communication plan.

10. **Discuss Water Plant fence condition and develop plan for systematically repairing and/or replacing portions of the fence.** Director Rodriguez stated that the original contractor, Imperial Fencing, did not show up twice and that he has been in communication with the second lowest bidder, Center Resources. He stated that Center Resources viewed the site and stated that an additional \$2,600 would need to be added to the original to bid to remove the chain link fence. He stated that he has asked Center Resources for a revised estimate but that Center Resources has not sent the revised estimate. He also reported that Center Resources would not be able to mobilize until the middle of May. He stated that he will contact the third bidder, Texas Fence, to see if Texas Fence would be able to mobilize before the middle of May.

Mr. Tourelles stated that he can provide Director Rodriguez the contact information for Lawry Construction, who installed fences for the DVCA.

11. **Discuss Greenhouse Road Landfill Expansion and take appropriate action.** The Board discussed sending a letter to state agencies opposing the expansion of the greenhouse Road Landfill. The Board discussed the option of including recycling as a component of the letter. Director Singleton stated that he will draft a couple of paragraphs addressing the issue of recycling that the President can include in the letter. The President stated that he will draft a letter for the next meeting.

12. **Approve SB625 filing.** The President recognized Ms. Maher, who stated that the District is required to submit financial and tax-related information to the Comptroller by May 1, 2018. Ms. Maher stated that the filing has been completed. Upon motion by Director Greer, seconded by Director Singleton, after full discussion and the question being put to the Board, the Board voted by majority with an abstention, to retroactively approve the SB625 filing and to authorize NRF to make the filing on behalf of the District.

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

14. **Discuss trash and recycling collection operations and take appropriate action.** There was no report.

15. **Report on WHCRWA monthly meeting.** The President and Director Greer reported that they attended the WHCRWA meeting.

16. **Review Article for DVCA Newsletter.** The Board agreed that Director Singleton will prepare the article.

17. **Review agenda items for next meeting (May 10, 2018) and such other matters as may properly come before the board.** The President informed the Board that there is interest in redoing the perimeter fence about Deerfield. Mr. Tourelles stated that the DVCA is creating a subcommittee to look further into the possibility. The President stated that he contacted the District's attorney, and that the District's attorney advised that the District can not fund a project such as a perimeter fence unless it directly serves a public purpose which the District is authorized to provide.

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 May 10, 2018.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)