

MINUTES OF MEETING OF BOARD OF DIRECTORS
May 10, 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 May 10, 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 except Director Greer. 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 and Mr. Michael Roland of AECOM Engineering, engineers 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; and Ms. Jane Maher and Ms. Amanda Dykmann, paralegals 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 April 12, 2018, 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 April 12, 2018, as presented.

Proposed minutes of the meeting of April 25, 2018, previously distributed to the Board, were considered for review and approval. Director Phelps proposed that under item one, the second sentence be revised to “discussed prioritizing.” 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 April 25, 2018 as revised.

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 the Bookkeeper’s Report, a copy of which is attached hereto as Exhibit “B.”

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 Bookkeeper’s

Report, and to authorize payment of check nos. 9472 through 9497 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 98.9% of the 2017 taxes as of April 30, 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. 1177 through 1180 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.** Mr. Wempe stated that he sent a surveyor utility information regarding the Windsong Trail road reconstruction project by Harris County Precinct 3. He stated that he has not received any further updates.

7. **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 a summary comparison of replacement and conversion costs for the repairs to Water Plant No. 1, Lift Station No. 1, and Lift Station No. 2, a copy of which is attached hereto as Exhibit "D." Mr. Wempe recommended that repairs to Water Plant No. 1 be addressed before the repairs to Lift Station No. 1 and Lift Station No. 2. He stated that the replacement of the motor control center is a priority item. He noted that engineering costs are not included in the cost estimates.

The Board discussed when to begin repairs. It was the consensus of the Board to table to repairs for the Asset Management Plan until further notice.

Mr. Wempe presented to and reviewed with the Board a schedule for televising the collection lines for the sanitary sewer rehabilitation, a copy of which is attached hereto as Exhibit "E." He stated that the items outlined in grey are up to date. He stated that section three and section six need to be completed along with the televising of the large diameter trunk lines. The Board instructed Mr. Arrant to obtain pricing for the televising of the lines per linear foot and to bring the pricing to the next meeting.

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 "F."

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 stated that he will forward the GM Well Motor Services Report to the Board

once it is available.

Mr. Arrant informed the Board that MOC submitted the required critical load report to the District's energy providers.

Mr. Arrant stated that MOC will be televising tomorrow at Pine Forest Country Club to find the man hole.

The Board discussed meter reading and requested that Mr. Arrant review the meter reading results for the next of couple months.

Upon motion by Director Singleton, seconded by Director Rodriguez, 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. **Approve Consumer Confidence Report.** The President recognized Mr. Arrant, who presented to and reviewed with the Board the Consumer Confidence Report ("CCR"), a copy of which is attached hereto as Exhibit "G." He stated that the CCR is finalized but will need to be reviewed by the District's attorney before it is available to District customers by July 1. He also presented wording for the bill notification regarding the CCR, a copy of which is attached hereto as Exhibit "H." 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 CCR subject to attorney review.

10. **Discuss Jackrabbit Road, Wastewater Treatment Plant, Communication Plan, Lift Station operation, and board meeting attendance and take appropriate action.** There was no report.

11. **Discuss Water Plant fence condition and develop plan for systematically repairing and/or replacing portions of the fence.** Director Rodriguez stated that the contractor, Western Fence, conducted a site visit and requested an extra \$2,500 to their original quote. He stated that Western Fence can start Monday, weather permitting. He stated that another contractor, Texas Fence, is now cheaper than Western Fence's revised quote. He noted that Texas Fence could start mobilizing after Memorial Day. It was the consensus of the Board to ask Western Fence to match Texas Fence's quote, and if Western Fence does not match, to award the project to Texas Fence.

12. **Discuss Greenhouse Road Landfill Expansion and take appropriate action.** The President stated that Director Singleton provided him with paragraphs addressing the issue of recycling that he can include in the letter opposing the expansion of the Greenhouse Road Landfill. The President stated that he will bring a draft of the letter to the next meeting.

13. **Review Drought Contingency Plan.** The Board discussed updating the District's Drought Contingency Plan. Director Singleton stated that he is working on modifying the plan. The President requested that Ms. Maher ask the District's attorney if there are any legal requirements that the District will need to include in the plan. It was the consensus of the Board to continue discussion at the next meeting.

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

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

16. **Report on WHCRWA monthly meeting.** There was no report.

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

18. **Review agenda items for next meeting (June 14, 2018) and such other matters as may properly come before the board.**The President informed the Board that the Harris County Flood Control District (“HCFCD”) has agreed to install “No Trespassing” signs at the greenbelt.

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 June 14, 2018.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)