

MINUTES OF MEETING OF BOARD OF DIRECTORS  
October 11, 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 October 11, 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. Lonnie Wright 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; Ms. Mary DuBois of Acclaim Energy; and Ms. Amanda Dykmann, 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 September 13, 2018, previously distributed to the Board, were considered for review and approval. 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 minutes of the meeting of September 13, 2018.

2. **Public comments.** The President recognized Ms. DuBois who presented to the Board an Energy Pricing Report, a copy of which is attached hereto as Exhibit "B." Discussion ensued. It was the consensus of the Board to not pursue at this time.

3. **Review Bookkeeper's Report, investment report and authorize payment of bills.** The President recognized Ms. Montelbano, who presented the Bookkeeper's Report and Quarterly Investment Report, copies of which are attached hereto as Exhibit "C."

Upon motion by Director Phelps, seconded by Director Greer, 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. 9618 through 9643 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 and Delinquent Roll, copies of which are attached hereto as Exhibit "D."

Ms. Rodriguez stated that the District had collected 99.5% of the 2017 taxes as of September 30, 2018.

Upon motion by Director Phelps, seconded by Director Greer, 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. 1189 through 1196 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 action taken.

6. **Convene Public Hearing on Proposed Tax Rate for 2018.** The President opened the hearing on the proposed tax rate. There were no comments. The President closed the hearing.

7. **Adopt Order Setting Tax Rate and Levying Tax for 2018.** Ms. Dykmann presented to and reviewed with the Board the Order Setting Tax Rate and Levying Tax for 2018, a copy of which is attached hereto as Exhibit "E." Discussion ensued regarding tax rates.

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 adopt the Order Setting Tax Rate and Levying Tax at a total rate of \$0.163.

8. **Approve Amended District Information Form.** Ms. Dykmann presented to and reviewed with the Board the Amended District Information Form, a copy of which is attached hereto as Exhibit "F." 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 Amended District Information Form.

9. **Consider Windsong Trail road reconstruction project by Harris County Precinct 3 and take appropriate action.** There was no update.

10. **Review Engineer's Report, Jackrabbit Road Public Utility District ("Jackrabbit") matters, Pine Forest Country Club matters, Asset Management Plan, and take appropriate action.** There was no written report. The President reported he spoke to Mr. Wempe who stated he would attend next month's meeting.

The Board discussed the Jackrabbit engineering report. It was the consensus of the Board to have Director Phelps prepare a list of questions to ask Jackrabbit at their next meeting.

11. **Review Operations Report, authorize repairs, and authorize termination of services to delinquent accounts.** The President recognized Mr. Wright, who reviewed with the Board the Operations Report, a copy of which is attached hereto as Exhibit "G."

Mr. Wright reported MOC received a call from Texas Fire Hydrant (“TFH”), regarding a defect with the brass castings on 17 American Darlings hydrants in the District. He stated TFH will be coming out to inspect and repair the hydrants on the spot at no cost to the District.

Mr. Wright discussed with the Board a joint emergency preparedness plan. No action was taken.

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 Operations Report and to terminate service to those accounts listed on the cut off List.

12. **Discuss date for tour of District facilities, West Harris County Regional Water Authority pumping station and Jackrabbit Public Utility District wastewater treatment plant.** This item was deferred.

13. **Discuss Jackrabbit Road Wastewater Treatment Plant, Communication Plan, Lift Station operation, and board meeting attendance and take appropriate action.** There was no report. The President requested this item be taken off the agenda.

14. **Discuss Greenhouse Road Landfill Expansion and take appropriate action.** There was no report. The President requested this item be taken off the agenda.

15. **Review Drought Contingency Plan.** There was no report.

16. **Discuss District website.** Director Rodriguez stated the website is up to date.

17. **Discuss trash and recycling collection operations, including consideration of proposals, and take appropriate action.** The Board discussed the District’s current trash and recycling providers. It was the consensus of the Board for NRF to draft and send termination letters to the current providers for services to be terminated by January 31, 2019.

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

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

20. **Consider need for Insurance Proposals (expires January 14, 2019).** It was the consensus of the Board to request a proposal from the District’s current provider.

21. **Review agenda items for next meeting (November 8, 2018) and such other matters as may properly come before the board.**The Board discussed upcoming agenda items.

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 November 8, 2018.

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President, Board of Directors

ATTEST:

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Secretary, Board of Directors

(DISTRICT SEAL)