

MINUTES OF MEETING OF BOARD OF DIRECTORS
November 8, 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 November 8, 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 Singleton. 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. Kevin Atkinson of Texas Pride Disposal Trash; Mr. Bob Wempe of Pape-Dawson Engineers, engineer for the District; and Mr. Dimitri Millas and Ms. Erika Smiley, 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 11, 2018, previously distributed to the Board, were considered for review and approval. 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 minutes of the meeting of October 11, 2018.
2. **Public comments.** There were no public comments.
3. **Discuss trash and recycling collection operations, including consideration of proposals, and notices of termination and take appropriate action.** Mr. Atkinson presented and reviewed a proposal for services, a copy is attached as Exhibit "B." He discussed pricing options, terms, waste receptacles, and noted that collection days would remain the same. He responded to Board concerns regarding annual increases, holiday schedule, and optional delivery of carts. After inquiry from the Board, Mr. Atkinson stated that Texas Pride will provide residents with information introducing the company and any new updates.

Upon motion by Director Greer, seconded by Director Rodriguez after full discussion and the question being put to the Board, the Board voted unanimously to approve a 3-year fixed agreement for trash and recycling with Texas Pride Disposal, pending attorney review.

4. **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 Greer, 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. 9644 through 9669 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

5. **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 5.2% of the 2018 taxes as of October 31, 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 no. 1197 from the Tax Account in the amounts, to the persons, and for the purposes listed in such report.

6. **Delinquent Tax Attorney Report and take any necessary action regarding Delinquent Accounts including Termination of Service.** There was no action taken.

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

8. **Review Engineer's Report, Jackrabbit Road Public Utility District ("Jackrabbit") matters, Pine Forest Country Club matters, Asset Management Plan, and take appropriate action.** 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 "E."

Discussion ensued regarding Jackrabbit matters. After inquiry from the Board, Mr. Wempe reported that he would provide more information regarding flood prevention methods.

Mr. Wempe reviewed the estimated conversion costs for priority items. Discussion ensued. The Board discussed and directed Mr. Wempe to research alternative financing methods. Upon motion by Director Greer, seconded by Director Rodriguez, after full discussion and the question being put to the Board, the Board voted unanimously to authorize preliminary design of electrical improvements at Water Plant No. 1, until more accurate cost estimates can be provided.

9. **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."

Upon motion by Director Greer, 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.

10. **Discuss date for tour of District facilities, West Harris County Regional Water Authority pumping station and Jackrabbit Public Utility District wastewater treatment plant.** There was no action taken.

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

12. **Discuss District website.** There was no discussion.

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

14. **Review Article for DVCA Newsletter.** The Board agreed that the President will prepare the article.

15. **Review agenda items for next meeting (December 13, 2018) and such other matters as may properly come before the board.**The Board discussed upcoming agenda items and directed NRF to add items to discuss and consider the District insurance and rate order items to the December meeting agenda.

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 13, 2018.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)