MINUTES OF MEETING OF BOARD OF DIRECTORS
March 14, 2019

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 March 14, 2019; 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
Adam Rodriguez, Secretary
Jay Singleton, Assistant Secretary

Persons Attending. All members of the Board were present except Director Rodriguez. Also attending all or parts of the meeting were Mr. Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"), operator for the District; Ms. Fran Matuska 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; Mr. Glenn Sommers, Mr. Brent Burris and Ms. Colleen Vera, residents of the District; 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 February 14, 2019, previously distributed to the Board, were considered for review and approval. Discussion ensued. President Polansky reported Director Rodriguez stated he had changes to the minutes regarding the trash and recycling issues and would submit verbiage to be approved at the next meeting.

2. **Public comments.** The President welcomed residents to the meeting. Ms. Vera presented to the Board a proposal for a Dog Park, a copy of which is attached hereto as Exhibit "B." The Board stated the District does not have any available property available.

3. **Discuss trash and recycling operations.** The President recognized Mr. Atkinson who discussed issues the District encountered last month. He stated he has been in contact with his drivers and informed them of the complaints. The Board discussed improving communication and operations in the District. He stated he is working on getting a new answering service in place for resident calls. Mr. Atkinson responded to resident inquiries.

4. **Review Bookkeeper's Report, investment report and authorize payment of bills.** The President recognized Ms. Matuska, who presented the Bookkeeper's Report, a copy of which is 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. 9745 through 9766 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

5. **Adopt budget for fiscal year ending March 31, 2020.** Ms. Matuska reviewed with the Board a proposed budget for fiscal year ending March 31, 2020, a copy of which is attached to the Bookkeeper's Report. Discussion ensued.

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 adopt the budget for fiscal year ending March 31, 2020.

6. **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 97.5% of the 2018 taxes as of February 28, 2019.

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 Tax Assessor and Collector's Report, and to authorize payment of check nos. 1211 through 1218 from the Tax Account in the amounts, to the persons, and for the purposes listed in such report.

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

8. **Review Electricity Proposal and take any necessary action.** Director Phelps reported last month the Board approved a proposed electricity contract and due to the length of time for the approval and signature the contract had to be redone. He stated the price went up a bit. Discussion ensued.

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 increased price and authorize a 48-month contract at $.04618.

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

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 report.

11. **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."

President Polansky left the meeting at this time.

Mr. Arrant reported MOC performed a fire hydrant survey. He stated two hydrants needed to be elevated and MOC repaired.

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.

12. **Review Drought Contingency Plan.** Ms. Dykmann reported Mr. Millas is reviewing and will work with Director Singleton to finalize the plan.

13. **Report on SB625 filing.** Ms. Dykmann reported the District is required to submit financial and tax-related information to the Comptroller by March 31, 2019. She noted NRF will complete the filing for the District

14. **Discuss District website.** There was no update.

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

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

17. **Review agenda items for next meeting (April 11, 2019) and such other matters as may properly come before the board.** Ms. Dykmann requested to discuss June meeting date on the next 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 April 11, 2019.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 138

TEXAS