

MINUTES OF MEETING OF BOARD OF DIRECTORS
September 12, 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 September 12, 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 Directors Polansky and Greer. Also attending all or parts of the meeting were 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. Keith Arrant of Municipal Operations & Consulting, Inc. (“MOC”), operator for the District; Mr. Bob Wempe of Pape Dawson Engineers Inc., engineer for the District; Mr. George Blitch of Blitch Associates, financial advisor for the District; Mr. Eric Worthington, resident of the District; and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), attorney for the District.

Call to Order. The Assistant Vice 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 August 8, 2019, previously distributed to the Board, were considered for review and approval. Discussion ensued. 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 approve the minutes of the meetings of August 8, 2019, as presented.

2. **Public comments.** There were no public comments.

3. **Resignation of Director.** Director Singleton requested that the agenda item be revised to “Retiring of Director.” Ms. Maher stated she would confirm with the District’s attorney to verify what documentation is needed from Director Singleton to retire. This item was deferred.

4. **Review Bookkeeper’s Report, investment report and authorize payment of bills.** The Assistant Vice President recognized Ms. Montelbano, who presented the Bookkeeper’s Report, a copy of which is attached hereto as Exhibit “B.”

The Board requested that the amending of the budget be included on the next agenda.

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 Bookkeeper's Report, and to authorize payment of check nos. 9891 through 9913 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 Assistant Vice 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 "C."

Ms. Rodriguez stated that the District had collected 99.2% of the 2018 taxes as of August 31, 2019.

Ms. Rodriguez presented to and reviewed with the Board a complete delinquent roll, a copy of which is attached hereto as Exhibit "D."

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 approve the Tax Assessor and Collector's Report, and to authorize payment of check no. 1229 through 1231 from the Tax Account in the amount, to the person, and for the purposes listed in such report.

6. Consider Financial Advisor's tax rate recommendations and Order Designating Officer to Calculate and Publish Tax Rate and Taking Other Actions in Connection with the Levy of a Tax for 2019. The Assistant Vice President recognized Mr. Blitch, who presented to and reviewed with the Board the 2019 Tax Rate Study prepared by Blitch Associates, a copy of which is attached hereto as Exhibit "E." Mr. Blitch stated that the District's 2019 taxable value is \$241,270,703. Discussion ensued. It was the consensus of the Board to publish a tax rate of \$0.1680 for maintenance and operations.

Ms. Maher then presented to the Board the Order Designating Officer to Calculate and Publish Tax Rates and Taking Other Actions in Connection with the Levy of a Tax for 2019 (the "Order"), a copy of which is attached hereto as Exhibit "F." Ms. Maher informed the Board that this order authorizes the tax assessor to publish the proposed tax rate and the date and time of the District's next meeting. Ms. Rodriguez stated that the notice would be published in the Katy Rancher.

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 publish a tax rate of \$0.1680 for maintenance and operations.

7. Consider Windsong Trail projects by Harris County Precinct 3 and take appropriate action. The Assistant Vice President recognized Mr. Worthington, who stated that the Windsong Trail project is currently in the study phase. He discussed the National Oceanic and Atmospheric Administration's Atlas 14, which is an analysis of rainfall values used for infrastructure design and planning activities under federal, state and local regulations. He stated that the redefining of the amount of rainfall it takes to qualify as a 100-year or 1000-year event is slowing the progression of the project.

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 Assistant Vice President recognized Mr. Wempe, who stated that

he received minor comments from Harris County and the City of Houston regarding the water plant electrical improvements. He stated that he will give an update about the formal approval in October. He noted that if the plans are approved, the Board could then move forward with the bidding process.

The Board discussed Pine Forest Country Club matters. Mr. Arrant stated that MOC is working with the Pine Forest Country club to locate the manhole.

9. Discuss Jackrabbit Public Utility District matters and take appropriate action. The Assistant Vice President recognized Ms. Montelbano, who stated she received the proposed budget for Jackrabbit. She noted that the proposed budget included the budget for the floodwall.

10. Discuss Storm Sewer Inlet and take appropriate action. Mr. Arrant reported the work is complete and this item can removed from the agenda.

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

Mr. Arrant reported on various maintenance items in the District.

Mr. Arrant reviewed the cut-off list and noted that accounts five and 22 were paid.

Mr. Arrant discussed the proposed location for the Vanbury playground water fountain. He estimated that the installation would be around \$1,800 and the cost of the fountain to be between \$3,000 to \$4,000, but that he will obtain proposals.

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 authorize terminations according to the Rate Order.

12. Discuss water fountain at Vanbury playground and any necessary action. This was addressed under the previous item.

13. Discuss trash and recycling operations. Director Singleton stated that the shredding and e-recycling will be on October 26, 2019.

14. Discuss District website. Director Rodriguez stated that he will post the published tax rate on the website. He also stated that language from the Comptroller needs to be put on the website's homepage. He noted he can provide the link to Jackrabbit's website and update the mailing address for bill payment.

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 with blurb about recycling.

17. Review agenda items for next meeting (October 10, 2019) and such other matters as may properly come before the board. There was no report.

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 October 10, 2019.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)