

MINUTES OF MEETING OF BOARD OF DIRECTORS
November 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 November 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
Eric Worthington, Assistant Secretary

Persons Attending. All members of the Board were present. 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. Chuck Facknok of Jackrabbit Road Public Utility District (“Jackrabbit”); and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), attorney 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. **Public comments.** There were no public comments.
2. **Minutes.** Proposed minutes of the meeting of October 10, 2019, 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 meetings of October 10, 2019, as revised.
3. **Qualify and Appoint Director.** It was the consensus of the Board to appoint Eric Worthington as a Director. Ms. Maher presented a Statement of Officer, Oath of Officer and Affidavit of Director for Mr. Worthington’s signature. She stated that upon completion Mr. Worthington would be qualified to serve as a Director. Mr. Worthington completed the Statement of Officer, Oath of Officer and Affidavit of Director, copies of which are attached hereto as Exhibit “B.” Upon motion by Director Polansky, seconded by Director Rodriguez after full discussion and the question being put to the Board, the Board voted unanimously to appoint Mr. Worthington as a Director.
4. **Election of officers.** Ms. Maher stated that the Board can determine the slate of positions. The Board discussed the current positions. 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 keep the same slate of positions with appointing Director Worthington to the open position as the Assistant Secretary.

5. 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 "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. 9935 through 9965 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

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 3.4% of the 2019 taxes as of October 31, 2019.

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 Tax Assessor and Collector's Report, and to authorize payment of check nos. 1236 through 1239 from the Tax Account in the amount, to the person, and for the purposes listed in such report.

7. Consider Windsong Trail projects by Harris County Precinct 3 and take appropriate action. There was no report. The President stated that the agenda item can be removed.

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 stated that Pape-Dawson received comments from Harris County regarding the water plant electrical improvements. He stated that he will work with Harris County regarding their detention basin comment. He stated he will keep the Board updated on any progress.

Mr. Arrant presented photos of the televising of the 18 inch line down Pine Forest Lane, copies of which are attached as Exhibit "E." He stated that the pipe is a reinforced concrete pipe that is showing signs of the material beginning to fail. He recommended that the Board consider slip lining the pipe now to save the District from having to pipe burst the line. Mr. Wempe stated that he will review the televising videos and coordinate with Mr. Arrant to provide a recommendation and cost estimate for the next meeting. The President requested that MOC also provide the logistics and cost estimate for televising the 12 inch force main that the pipe leads into.

Director Phelps discussed the idea of a naming mechanism for the District's different lines for the Asset Management Plan.

9. Discuss Jackrabbit Public Utility District matters and take appropriate action. Director Phelps stated he attended Jackrabbit meeting.

10. **Discuss District's participation in funding the flood wall proposed by Jackrabbit Road Public Utility District and take appropriate action.** The President recognized Mr. Facknok, who discussed the SCADA and floodwall additions to the joint plant. Ms. Montelbano stated that the budget for the SCADA and floodwall is 1.228 million dollars. Discussion ensued. Mr. Facknok stated that Jackrabbit is waiting for the other Board's approval before proceeding with the design and contract for the SCADA and floodwall. Mr. Facknok distributed a pamphlet from IBS Fontaine regarding flood protection systems, a copy of which is attached hereto as Exhibit "F." The Board discussed the option of holding a special meeting the second week of December with Jackrabbit Road Public Utility District to further discuss the floodwall.

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 "G."

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

Mr. Arrant stated that the televising of the sanitary sewer line for Pine Forest country club is next on list to televise. He stated that MOC will televise the line with a push camera before the next meeting.

Mr. Arrant requested that the consideration of a MOC contract amendment be on the December agenda.

Mr. Arrant stated that due to Tropical Storm Imelda there were issues with bills arriving on time. It was the consensus of the Board to authorize MOC to issue credit back to the accounts affected.

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 Operations Report, and to authorize terminations according to the Rate Order.

12. **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 discussion.

13. **Discuss water fountain at Vanbury playground and any necessary action.** The President stated that NRF is working on drafting an agreement between the District and the DVCA.

14. **Report on WHCRWA monthly meeting, and related service and construction issues.** There was no report.

15. **Discuss trash and recycling operations.** There was no report.

16. **Discuss District website.** Director Rodriguez stated that he now has control of the website. He discussed the updates to the website. Ms. Maher stated that she will send Director Rodriguez election information that will need to be posted.

17. **Review Article for DVCA Newsletter.** Director Phelps stated that he will prepare the article for the November DVCA Newsletter.

18. **Consider need for insurance proposals (expires January 14, 2020).** Ms. Maher stated that NRF is obtaining proposals from the District's current provider, Arthur J. Galleggar, and from Harco Insurance Services.

19. **Review agenda items for next meeting (December 12, 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 December 12, 2019.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)