

MINUTES OF MEETING OF BOARD OF DIRECTORS
May 14, 2020

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") convened in regular session on May 14, 2020 at 6:00 p.m. via teleconference pursuant to Section 551.125, Texas Gov't Code as modified by the temporary suspension of certain provisions thereof pursuant to guidelines issued by the Texas Attorney General and approved by the Governor for use during the COVID-19 statewide disaster. A roll call was taken of the persons present:

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 Mr. Jay Singleton, resident of 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. Bob Wempe of Pape-Dawson Engineers ("Pape-Dawson"), engineer for the District; Mr. Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"), operator for the District; and Ms. Jane Maher of Norton Rose Fulbright US LLP ("NRF"), attorney for the District.

Pursuant to Section 551.054, Texas Gov't Code, as modified by the temporary suspension of certain provisions thereof, notice of the meeting was posted on the District's website within the time limits prescribed by law. The agenda packet was posted on the website as items became available. Certificates of such posting are attached hereto as Exhibit "A."

Call to Order. The President called the meeting to order. He noted that the meeting was being held by teleconference in accordance with federal, state and county directives to slow the spread of COVID-19 by avoiding meetings that bring people together. He said the notice of the meeting included a toll-free dial-in number for members of the public to call so they can hear the meeting and address the Board. He noted that the meeting was being recorded and a recording would be available upon public request. The President then set out guidelines for the conduct of the meeting. He asked each speaker to identify themselves before speaking. He then proceeded with the meeting business:

1. **Public comments.** There were no public comments.
2. **Minutes.** Proposed minutes of the meeting of April 9, 2020, 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 April 9, 2020 as presented.

3. **Appointment of Agent for 2020 Director Election.** Ms. Maher reviewed with the Board the Appointment of Agent for the 2020 Directors Election, a copy of which is attached hereto as Exhibit "B." Upon motion by Director Greer, seconded by Director Worthington, after full discussion and the question being put to the Board, the Board voted unanimously to appoint Jane Maher as the election agent for the 2020 Directors Election.

4. **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 Phelps, 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. 10104 through 10125 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 98.6% of the 2019 taxes as of April 30, 2020.

Upon motion by Director Worthington, 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 nos. 1256 through 1261 from the Tax Account in the amount, to the person, and for the purposes listed in such report.

6. **Discuss relief options for delinquent customers and tax payers and take appropriate action.** The President discussed with the Board the potential relief options provided by NRF for delinquent customers and tax payers due to the effects of COVID-19. He stated that the Board can further discuss the options if any residents are affected. Mr. Rodriguez requested that Ms. Maher verify with the District's attorney the distinction between interest and late fees and the difference in how those would be handled.

7. **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." He stated that the contracts for the water plant electrical improvements has been executed and that the formal Notice to Proceed will be issued for June 1, 2020. He noted that Pape-Dawson will request a formal schedule from the contractor once the Notice to Proceed has been issued.

8. **Discuss Jackrabbit Public Utility District matters and take appropriate action.** The President stated that Jackrabbit is moving forward with the flood wall and SCADA system. Mr. Wempe stated that he will keep the Board updated on the progression of the flood wall and any effects on the District.

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."

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

Mr. Arrant reported that a manhole on Pine Forest Dr. was repaired due to the cover being knocked off, most likely by a car.

Mr. Arrant stated that MOC will prepare a recommendation for the Board's consideration for the installation of a meter to monitor the eight-inch gravity flow line at Pine Forest Country Club.

The Board discussed the cost estimate to slip line the 18-inch gravity line paralleling Pine Forest Lane. Mr. Wempe stated that Pape-Dawson would have a more accurate cost estimate at the July meeting.

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 Operations Report, to continue to notify delinquent accounts of delinquency, and to continue to suspend service disconnections and waive new late payment fees until the governor lifts the disaster order.

10. **Approve Consumer Confidence Report.** Mr. Arrant presented to and reviewed with the Board, the Consumer Confidence Report, a copy of which is attached hereto as Exhibit "G." Discussion ensued. 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 the Consumer Confidence Report subject to the final review from the District's attorney.

Mr. Arrant noted that the Board can further review the Consumer Confidence Report and any proposed revisions can be run by MOC's compliance department. Ms. Maher stated that the discussion of the final review can be included on the next agenda.

11. **Discuss and consider Rate Order and take any necessary action.** It was the consensus of the Board to discuss the Rate Order at a later meeting.

12. **Report on WHCRWA monthly meeting, and related service and construction issues.** Director Worthington reported on the WHCRWA. The President suggested that the link to the WHCRWA be included on the District's website.

13. **Discuss trash and recycling operations, including Residential Recycling Collection Agreement (expires 9/30/2020).** The President stated that the District no longer has a contract with Residential Recycling. Ms. Maher stated she would update the District's calendar. Mr. Singleton discussed the upcoming recycling event. Director Worthington stated that the Deerfield Village Community Association ("DVCA") proposed the date of October 24, 2020. He noted that he will get a proposal of what items are recyclable and the pricing for the next meeting. The President requested that a separate agenda for the recycling event be on the next agenda.

14. **Discuss District website.** Jay comment on sprinklers, comment about water conservation. Director Rodriguez stated that sections for newsletter articles, engineer reports, meeting call-in information and documents have been added to the website.

15. **Review Article for DVCA Newsletter.** Director Greer stated that he will prepare the article for the DVCA Newsletter.

16. **Review agenda items for next meeting (June 11, 2020) and such other matters as may properly come before the board.** Director Worthington informed the Board that the Association of Water Board Directors conference has been postponed until August.

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 June 11, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)