

MINUTES OF MEETING OF BOARD OF DIRECTORS
June 11, 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 June 11, 2020 at 6:00 p.m. via teleconference and videoconference 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. Robert Atkinson, 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; and 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.** The President welcomed Mr. Atkinson. There were no further comments.

2. **Minutes.** Proposed minutes of the meeting of May 14, 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 May 14, 2020 as presented.

3. 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 "B."

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 Bookkeeper's Report, and to authorize payment of check nos. 10126 through 10149 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

4. 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 "C."

Ms. Rodriguez stated that the District had collected 99% of the 2019 taxes as of May 31, 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. 1262 through 1265 from the Tax Account in the amount, to the person, and for the purposes listed in such report.

Ms. Rodriguez stated that BLI is offering an amendment to their contract for districts who chose to engage BLI to meet the requirements for Senate Bill 2. Discussion ensued. The President requested that Ms. Maher provide the Board with the Senate Bill 2 requirements. He requested that the discussion be included on the July agenda.

5. 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 "D." He reported that the Notice to Proceed for the Water Plant Electrical Improvements was issued on June 1, 2020. He stated that the contractor, Andrew Jordan Industrial, LLC, has submitted all of the shop drawings for review.

6. Review and discuss construction plans for CFISD Wilson Elementary School. The President stated that the Board received construction plans for the CFISD Wilson Elementary School. Mr. Arrant stated that the contractor for the school has been in communication with MOC. Mr. Wempe stated that Pape-Dawson has reviewed the construction plans.

7. Discuss Jackrabbit Public Utility District matters and take appropriate action. The President stated that he received the engineer report from Jackrabbit Public Utility District that included the budget for the SCADA system and flood wall.

8. 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."

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

Mr. Arrant presented to and reviewed with the Board a quote from HB Systems, Inc. to install a meter to monitor the eight-inch gravity flow line at Pine Forest Country Club, a copy of which is attached hereto as Exhibit "F." Mr. Arrant suggested that the Board consider Option No. 1. He noted that the approximate cost for Option No. 1 for six months is \$12,000 and for 12 months is \$17,000. Discussion ensued.

Mr. Arrant discussed the delinquent accounts. He noted that MOC has been charging penalties and that MOC will continue to provide delinquent notice to delinquent accounts, and continue to suspend service disconnections. He stated that MOC can notate the normal accounts that would be terminated for future reports. He requested authorization to turn one account over to Collections Unlimited of Texas.

Mr. Arrant stated that the water fountain is ordered and should arrive within the next few weeks. The President requested that MOC provide a quote to repaint and rehab the fire hydrants for the next meeting.

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, to approve Option No. 1 for a six month term from the proposal from HB Systems, Inc., to turn one account over to Collections Unlimited of Texas, to continue to notify delinquent accounts of delinquency, and to continue to suspend service disconnections until the governor lifts the disaster order.

9. **Discuss Consumer Confidence Report.** Ms. Maher stated that last month the Board approved the Consumer Confidence Report subject to NRF's review. She stated that NRF has reviewed the Consumer Confidence Report and has no comments.

10. **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.

11. **Report on WHCRWA monthly meeting, and related service and construction issues.** Director Worthington reported on the WHCRWA meeting.

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

13. **Discuss recycling event.** There was no report.

14. **Matters pertaining to the 2020 Directors Election including Notice of Deadline to File Applications.** Ms. Maher presented to and reviewed with the Board the Notice of Deadline to File Applications for Place on the Ballot, a copy of which is attached hereto as Exhibit "J." Ms. Maher stated that the notice is posted within the District and that candidates have from July 18, 2020 to August 17, 2020 to apply to be on the ballot.

15. **Discuss District website.** Director Rodriguez stated that the meeting call-in information and documents have been added to the website. He also stated that the link from Director Worthington regarding lawn watering was added.

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

17. **Review agenda items for next meeting (July 9, 2020) and such other matters as may properly come before the board.** There were no further reports.

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 July 9, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)