

MINUTES OF MEETING OF BOARD OF DIRECTORS
October 8, 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 October 8, 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, except Director Polansky, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Rose Montalbano 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; Mr. Bill Blitch of Blitch Associates, financial advisor for the District; and Ms. Jane Maher of Norton Rose Fulbright US LLP ("NRF"), attorneys 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 Vice 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 Vice 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 September 10, 2020, previously distributed to the Board, were considered for review and approval. 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 approve the minutes of the meetings of September 10, 2020, as presented.

3. **Public hearing on 2020 Tax Rate.** The Vice President opened the hearing on the proposed tax rate. There were no comments. The Vice President closed the hearing.

4. **Adopt Order Setting Tax Rate and Levying Tax for 2020.** Director Worthington joined at this time. The Vice President recognized Ms. Maher, who presented to and reviewed with the Board the Order Setting Tax Rate and Levying Tax for 2020 a copy of which is attached hereto as Exhibit "B." Discussion ensued.

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 adopt the Order Setting Tax Rate and Levying Tax at a total rate of \$0.1660 per \$100 assessed valuation.

5. **Approve Amended District Information Form.** The Vice President recognized Ms. Maher, who presented to and reviewed with the board the Amended District Information Form, a copy of which is attached hereto as Exhibit "C." She stated that because the District's tax rate has changed, an amended District Information Form to reflect the new rate needs to be approved. 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 and authorize the filing of the Amended District Information Form in the Harris County Real Property Records.

6. **Review Bookkeeper's Report, investment report and authorize payment of bills.** The Vice President recognized Ms. Montalbano, who presented the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "D."

Upon motion by Director Worthington, 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. 10230 through 10249 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

7. **Review Tax Assessor and Collectors Report and authorize payment of bills.** The 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 "E."

Ms. Rodriguez stated that the District had collected 99.84% of the 2019 taxes as of September 31, 2020.

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 approve the Tax Assessor and Collector's Report, and to authorize payment of check nos. 1277 through 1279 from the Tax Account in the amount, to the person, and for the purposes listed in such report.

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 Vice President recognized Mr. Wempe, who stated that the Water Plant Electrical Improvements are proceeding and that Pape-Dawson is currently processing the second pay estimate from the contractor.

Mr. Arrant stated that MOC has received data from the meter to monitor the flow of the eight-inch gravity line at Pine Forest Country Club, and that MOC is reviewing the data to identify any trends.

9. **Discuss Jackrabbit Public Utility District matters and take appropriate action.** There was no report.

10. **Review Operations Report, authorize repairs, and authorize termination of services to delinquent accounts.** The Vice 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 stated that the tap is scheduled to be put in for the water fountain next week.

Mr. Arrant discussed the delinquent accounts. He stated that MOC has been in contact with customers regarding setting up payment plans. He noted that MOC will continue to provide delinquent notices to delinquent accounts, and continue to suspend service disconnections.

Upon motion by Director Rodriguez, 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 continue to notify delinquent accounts of delinquency, and to continue to suspend service disconnections until the governor lifts the disaster order.

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 stated that the WHCRWA meeting is next week.

13. **Consider insurance proposals (expires January 14, 2021).** It was the consensus of the Board to receive a proposal from the District's current provider.

14. **Discuss tour of District facilities, WHCRWA pumping station and Jackrabbit Road Public Utility District wastewater treatment plant.** It was the consensus of the Board to discuss this agenda item at the next meeting.

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

16. **Discuss recycling event.** Director Worthington provided an update on the recycling event scheduled for October 24, 2020.

17. **Discuss District website.** Director Rodriguez provided an update on the District website.

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

19. **Review agenda items for next meeting (November 12, 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 November 12, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)