

MINUTES OF MEETING OF BOARD OF DIRECTORS
November 12, 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 November 12, 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 Ms. Fran Matuska 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. Eric Toureilles of the Deerfield Village Community Association ("DVCA"), Mr. Keith Arrant of Municipal Operations & Consulting, Inc. ("MOC"), operator 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 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 meetings of October 8, 2020, 2020 previously distributed to the Board, were considered for review and approval. 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 approve the minutes of the meetings of October 8, 2020, as presented.

Proposed minutes of the meetings of October 29, 2020, previously distributed to the Board, were considered for review and approval. Upon motion by Director Phelps, seconded by Director Worthington, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meetings of October 29, 2020, as presented.

3. Review Bookkeeper's Report, investment report and authorize payment of bills. The President recognized Ms. Matuska, who presented the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "B."

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. 10250 through 10273 from the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

4. 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 "C." He stated that that Progress Payment Nos. 2 and 3 in the amounts of \$65,139.30 and \$173,509.20 for the Water Plant Electrical Improvements were submitted for approval. He noted that the Progress Payments were approved under the previous item. Discussion ensued. The President stated some members of the Board would like to tour the facility before the punch list items are addressed.

5. Discuss Jackrabbit Public Utility District matters and take appropriate action. Mr. Wempe reported that the design for the floodwall is being finalized and that the SCADA system is ongoing.

6. 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 "D."

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

Mr. Arrant discussed the delinquent accounts. He stated that MOC has been in contact with customers regarding setting up payment plans. Discussion ensued. It was the consensus of the Board to reinstate the termination of service for delinquent accounts beginning January 31, 2021 and to authorize MOC to prepare a notice. Mr. Arrant stated that he would coordinate with NRF on the notice and provide the notice to customers by December.

Mr. Arrant presented to and reviewed with the Board data charts for the months of July, August, and September from the meter to monitor the flow of the eight-inch gravity line at Pine Forest Country Club, copies of which are attached hereto as Exhibit "E." Discussion ensued. The President discussed the need to keep the meter for a couple of years to produce conclusive data about any inflow and infiltration.

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 Operations Report, to continue to notify delinquent accounts of delinquency, and to continue to suspend service disconnections until January 31, 2021.

7. **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 99.37% of the 2019 taxes as of October 31, 2020.

Ms. Rodriguez requested authorization to move one account totaling \$236.37 to the uncollectable roll.

Upon motion by Director Rodriguez, seconded by Director Worthington, 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. 1280 through 1284 from the Tax Account in the amount, to the person, and for the purposes listed in such report and to move one account totaling \$236.37 to the uncollectable roll.

8. **Discuss options for DVCA fencing project and take appropriate action.** The President recognized Mr. Toureilles, who provided an update on the DVCA fence project. He stated that the DVCA is requesting the District's consideration in assisting with the perimeter fence replacement project due to the funding problems in part due to the DVCA budget caps. He noted that the District could also consider assuming the security patrol contract from the DVCA. Discussion ensued. Mr. Toureilles stated that he would provide the costs to the President. The President stated that if needed, the Board would hold a special meeting to further discuss the options.

9. **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.

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

11. **Consider insurance proposals (expires January 14, 2021).** Ms. Maher stated that the proposal from the District's current provider should be available by the next meeting.

12. **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.

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

14. **Discuss District website.** Director Rodriguez provided an update on the District 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 (December 10, 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 December 10, 2020.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)