

MINUTES OF MEETING OF BOARD OF DIRECTORS  
January 24, 2018

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 152 (the "District") met in regular session, open to the public, at the offices of Norton Rose Fulbright US LLP, at 1301 McKinney Suite 5100, Houston, Texas at 11:30 a.m. on Wednesday, January 24, 2018, whereupon the roll was called of the members of the Board, to wit:

Kelly Cline, President  
Doug Walker, Vice President  
Charlie Crocker, Secretary  
Ernest Bezdek, Assistant Secretary  
Andrew Galeucia, Assistant Secretary

**Persons Attending.** All members of the Board were present except Director Crocker. Also attending all or parts of the meeting were Mr. Lizandro Campos of Wheeler & Associates, tax assessor and collector for the District; Mr. Larry Jones and Mr. Allen Jenkins of Inframark, operator for the District; Ms. Karrie Kay of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Teague Harris of IDS Engineering Group ("IDS"), engineer for the District; Mr. Asdrubal "Dru" Gutierrez, resident of the District; and Ms. Kathleen Ellison and Ms. Erika Smiley of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

**Call to Order.** The President called the meeting to order and, in accordance with notice posted pursuant to law, copies of the certificates of posting of which are attached hereto as Exhibit "A," the following business was transacted:

1. **Approve minutes of the meeting of December 20, 2017.** The Board considered the proposed minutes of the meeting of December 20, 2017, previously distributed to the Board. President Cline noted a formatting issue with the Directors names. Upon motion by Director Bezdek, seconded by Director Galeucia, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of December 20, 2017, as revised.
2. **Public Comments.** There were no public comments.
3. **Review Tax Assessor and Collector's report and authorize payment of bills.** The President recognized Mr. Campos, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of December 2017, a copy of which is attached hereto as Exhibit "B." Mr. Campos noted that 64.64% of the District's 2017 taxes had been collected as of the meeting date. Mr. Campos also presented a Sales and Use Tax Administration Report dated January 2018, a copy of which is included in Exhibit "B."

Upon motion by Director Walker, seconded by Director Galeucia, 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 numbers 3885 and 3886 from the Tax Account to the persons, in the amounts, and for the purposes listed in the report.



4. **Adopt Resolution Authorizing Additional 20% Penalty on Delinquent Taxes.** The Board reviewed a Resolution Authorizing Additional Penalty on Delinquent Taxes remaining delinquent on April 1, 2018 for personal property and remaining delinquent on July 1, 2018 for other property (the "Resolution"), a copy of which is attached hereto as Exhibit "C."

Upon motion by Director Bezdek, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution as presented.

5. **Adopt Order Authorizing Exemption from Taxation.** The President recognized Ms. Ellison who said the Board considers whether to grant exemptions from taxation on an annual basis. She said the Board may grant a homestead exemption and/or an exemption for individuals who are disabled or 65 or older. The President said it was the Board's practice not to grant exemptions in order to keep the tax rate low for everyone. It was the consensus of the Board not to authorize any exemptions.

6. **Review Bookkeeper's Report, approve investment report, and authorize payment of bills.** The President recognized Ms. Kay, who presented to and reviewed with the Board the Bookkeeper's Report, investment report, and a report on District deposits and pledged securities for the month of December 2017, copies of which are attached hereto as Exhibit "D."

Upon motion by Director Galeucia, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 9025 through 9039 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

7. **Review Operations, authorize repairs, conduct hearing and terminate delinquent accounts.** The President recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for the month of December 2017, a copy of which is attached hereto as Exhibit "E." Mr. Jenkins stated that 95.47% of the water pumped was billed for the period from November 18, 2017 through December 20, 2017. He asked the Board to authorize Inframark to turn two accounts totaling \$610.19 over to collections and to authorize \$49.60 to be written off the accounts ledger.

Mr. Jenkins said the contacts on two starter motors need to be replaced at a cost of \$2,100 each. Director Walker asked Mr. Jenkins to confirm the quantity of concrete being laid by Inframark's subcontractor.

Upon motion by Director Galeucia, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, to turn two accounts totaling \$610.19 over to collections, to authorize \$49.60 to be written off the accounts ledger, and to authorize replacement of the starter motors.

8. **Review Engineer's Report and Authorize time extension requests, pay estimates, and change orders for pending contracts.** The President recognized Mr. Harris, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "F."

Mr. Harris reported that a notice to proceed was issued to the contractor for Water Plant



No. 1 Ground Storage Tank No. 2 Rehabilitation on December 6, 2017. He recommended approval of pay application no. 2 in the amount of \$55,362.37.

Mr. Harris reported that the welding repairs required at the Water Plant No. 1 GST exceeded the original anticipated amount in the construction contract. IDS is finalizing a change order, which is anticipated to be approximately \$2,000 over the original contract amount, and they will present it for consideration at the District's February meeting.

Mr. Harris reported on the Elevated Storage Tank Exception, stating that the Texas Commission on Environmental Quality ("TCEQ") has approved the District's request for an exception.

Mr. Harris reported on Sanitary Sewer Cleaning and Televising, stating that the contractor has submitted its reports and is preparing the video for submission to IDS. He said IDS will view the video and plan to have it complete for the District's February meeting.

Mr. Harris reported that IDS is working with Matt Froehlich, engineer for HCMUD No. 153, to prepare a summary of how many connections the District owns in the joint lift station with HCMUD No. 153 and how many connections the District owns in the wastewater treatment plant. He stated IDS is also working to determine if there is excess capacity in either of the facilities that the District could purchase if it wanted to consider an annexation on the future.

Mr. Harris reported that a Water and Sewer Capacity Commitment had been sent to Jon Spears with respect to the church property.

Upon motion by Director Galeucia, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report.

9. **Authorize capacity commitments.** This was addressed under the Engineer's report.

10. **Report on purchase of church property, elevated storage tank exception and any necessary action.** This was addressed under the Engineer's report.

11. **Adopt Order Calling Directors Election.** Ms. Ellison presented to and reviewed with the Board a draft Order Calling Directors Election, a copy of which is attached hereto as Exhibit "G." Upon motion by Director Walker, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Order Calling Directors Election.

12. **Discuss and take necessary action in connection with District website.** There was no action taken.

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 February 28, 2018.

Gilly Cline  
President, Board of Directors

Andrew Galencia  
Secretary, Board of Directors

(DISTRICT SEAL)



