

MINUTES OF MEETING OF BOARD OF DIRECTORS
March 28, 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, March 28, 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. Also attending all or parts of the meeting were Mr. Lizandro Campos of Wheeler & Associates, tax assessor and collector for the District; Mr. Allen Jenkins of Inframark, operator for the District; Ms. Karrie Kay of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Brian Gerould of IDS Engineering Group ("IDS"), engineer for the District; Mr. Asdrubal "Dru" Gutierrez, resident of the District; Mr. Tom Mraz of Harco Insurance; Ms. Kim Courte of Arthur J. Gallagher & Co, Waterworks Insurance Network ("WIN"); 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 March 28, 2018.** The Board considered the proposed minutes of the meeting of March 28, 2018, previously distributed to the Board. 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 minutes of March 28, 2018.

2. **Discuss and take necessary action in connection with District website.** Director Galeucia presented to and reviewed with the Board a website proposal from 1190 Designs. Discussion ensued regarding emergency notification and resident contact. It was the consensus of the Board to ask Mr. Allen DeJonge of 1190 Designs to attend the April meeting.

3. **Discussion regarding District Insurance (Harco/TML-IRP policy expires May 1).** The President recognized Mr. Mraz, who presented to and reviewed with the Board the Harco Insurance Services renewal proposal, copies of which are attached hereto as Exhibit "B." After a discussion, the Board thanked Mr. Mraz and he left the meeting and the Board asked Ms. Courte to enter the meeting.

The President then recognized Ms. Courte, who presented to and reviewed with the Board the WIN insurance proposal, copies of which are attached hereto as Exhibit "C." Ms. Courte then left the meeting.

Discussion ensued regarding the insurance proposals and presentations. After a full discussion, it was the consensus of the Board to review proposals at the April meeting.

4. **Public Comments.** There were no public comments.

5. **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 February 2018, a copy of which is attached hereto as Exhibit "D." Mr. Campos noted that 97.18% of the District's 2017 taxes had been collected as of the meeting date.

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 approve the Tax Assessor and Collector's Report and to authorize payment of check numbers 3900 to 3907 from the Tax Account to the persons, in the amounts, and for the purposes listed in the report.

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 February 2018, copies of which are attached hereto as Exhibit "E."

Ms. Kay reported on check no. 9071 to Sales Revenue, Inc. in the amount of \$750.00 for sales tax tracking.

Ms. Kay noted the District proposed budget for the fiscal year ending May 31, 2019.

Ms. Kay reported on the deposit from TNRG Acquisitions, stating that \$1,760.19 is the remaining amount that can be returned to the developer.

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 Bookkeeper's Report, to approve the Investment Report, to authorize payment of check numbers 9059 through 9074 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report, and to authorize the bookkeeper to refund the remainder of its deposit to TNRG Acquisitions.

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 February 2018, a copy of which is attached hereto as Exhibit "F." Mr. Jenkins stated that 95.43% of the water pumped was billed for the period from January 21, 2018, through February 20, 2018.

Upon inquiry from Director Walker, Mr. Jenkins reviewed the Zenner smart meter proposals, copies of which are attached to the Operations report. Mr. Jenkins stated that neither proposal included labor costs. Discussion ensued. It was the consensus of the Board to direct Mr. Jenkins to provide more information on smart meter options.

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 approve the Operations Report and

terminate the delinquent accounts in accordance with the Rate Order.

Director Galeucia left the meeting at this time.

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

Mr. Gerould reported on the Water Plant No. 1 Ground Storage Tank No. 2 Rehabilitation. He stated that the ground storage tank is back in service.

Mr. Gerould reported that IDS has completed their review of the videos from the sanitary sewer televising. He stated that the system looks very good overall but IDS did note approximately 18 point repair locations. Mr. Gerould reported that IDS will meet with Inframark next week regarding point repairs that may be located under streets and driveways.

Mr. Gerould reported that the developer for the tract at the corner of Will Clayton Parkway and Aerobic Drive has asked for an extension of their water and wastewater capacity reservation from the District. He stated that the plan approval process took longer than anticipated but the developer has now received Harris County approval. Mr. Gerould reported that the request was for 36 equivalent single family connections to serve Atascocita Shopping Center. He stated that the District currently has enough water and wastewater capacity available to serve the project.

Upon motion by Director Crocker, 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 and to authorize the extension of the water and wastewater capacity reservation serve the Atascocita Shopping Center.

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


10. **Authorize Preparation of Special District Report for comptroller database (SB 625).** Ms. Ellison reviewed with the Board the Special District report filing. She reported that state law now requires annual filing of certain District financial information with the Texas Comptroller of Public Accounts. She stated that NRF has made this filing on behalf of the District.

11. **Matters Pertaining to 2018 Directors Election.** Ms. Ellison gave the Board an update regarding the 2018 election. She stated that she will meet with the early voting clerk.

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



President, Board of Directors



Secretary, Board of Directors

(DISTRICT SEAL)

