

MINUTES OF MEETING OF BOARD OF DIRECTORS
July 25, 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, July 25, 2018, whereupon the roll was called of the members of the Board, to wit:

Kelly Cline, President
Ernest Bezdek, Vice President
Charlie Crocker, Secretary
Andrew Galeucia, Assistant Secretary
Asdrubal "Dru" Gutierrez, Assistant Secretary

Persons Attending. All members of the Board were present except Director Bezdek. 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 and Mr. Larry Jones, of Inframark, LLC, 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; 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 regular meeting minutes of June 27, 2018.** The Board considered the proposed regular meeting minutes of June 27, 2018, previously distributed to the Board. Upon motion by Director Crocker, seconded by Director Gutierrez, after full discussion and the question being put to the Board, the Board voted unanimously approve the regular meeting minutes of June 27, 2018.

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

3. **Indemnification of Directors.** Ms. Ellison stated that to the extent that the directors and officer's insurance policy does not cover losses of directors carrying out the lawful business and duties of the District in good faith, then the District can indemnify the directors for losses. Upon motion by Director Galeucia, seconded by Director Crocker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the District's indemnification of directors for losses or defense costs arising from the directors carrying out their lawful duty, to the extent that such losses are not otherwise covered by insurance, to the fullest extent permitted by law.

4. **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 June 2018, a copy of which is attached hereto as Exhibit "B." Mr. Campos noted that 98.91% of the District's 2017 taxes had been collected as of the meeting date.

Upon motion by Director Galeucia, seconded by Director Crocker, 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 3932 to 3936 from the Tax Account to the persons, in the amounts, and for the purposes listed in the report.

5. **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, copies of which are attached hereto as Exhibit "C."

Ms. Kay noted check no. 9134 for District insurance in the amount of \$3,093.00.

Ms. Kay noted check no. 9148 for to Janan Turney in the amount of \$200.00 in connection with the District election.

Upon motion by Director Crocker, 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, and to authorize payment of check numbers 9135 through 9150 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

6. **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 June 2018, a copy of which is attached hereto as Exhibit "D." Mr. Jenkins stated the accountability percentage for the period from May 23, 2018, through June 22, 2018 is 88.78% without flushing and 89.32% with flushing. He asked the Board to authorize Inframark to send five accounts totaling \$731.00 to collections and to write off one account totaling \$17.54

Mr. Jenkins reported that the District received a proposal for the Water Plant #2 control room roof repair from All Type Roofing in the amount of \$4,715.10. Discussion ensued. It was the consensus of the Board to have Inframark solicit additional proposals for the roof repair.

The President recognized Mr. Jones, who presented to and reviewed with the Board the Third Amendment to Professional Services Agreement, a copy of which is attached hereto as Exhibit "E." Ms. Ellison stated that she provided Inframark with comments regarding the agreement, which had been incorporated. Discussion ensued.

Upon motion by Director Crocker, seconded by Director Galeucia, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, to send five accounts totaling \$731.00 to collections and to write off one account totaling \$17.54, to approve the Third Amendment to Professional Services Agreement with Inframark, and to terminate the delinquent accounts in accordance with the Rate Order.

7. **Discuss and take any necessary action regarding the District's rate order.** This item was deferred.

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 "F."

Mr. Gerould reported IDS solicited bids from four contractors to complete the repairs noted during the District's cleaning and televising of sanitary sewer lines in Atasca Woods. Two contractors submitted bids with the lowest bid being submitted by Lopez Utilities Contractor LLC in the amount of \$53,107.50. He reviewed with the Board a copy of the bid tabulation and said IDS had reviewed the bids and had found them to be complete and in order with the exception of minor mathematical errors that did not affect the outcome. He recommended awarding the contract to Lopez Utility Contractor LLC.

Mr. Gerould reported that the District received a request for capacity from ALJ-Lindsey to serve a development on West Lake Houston Parkway. He stated that the anticipated use is a Berkley Eye Center and they have requested two equivalent single family connections of water and wastewater capacity to serve an approximately 7,000 square foot office space. Mr. Gerould said IDS has reviewed their request and have determined that the District has the water and wastewater capacity available to serve the proposed development.

Mr. Gerould reported that TxDOT will be hosting their 60% design meeting to discuss utility conflicts relating to the FM 1960 expansion on Tuesday, July 31, 2018. The meeting will be at 7600 Washington and is scheduled to begin at 1:30 PM. He said the District had no conflicts with TxDOT facilities.

Upon motion by Director Crocker, seconded by Director Galeucia, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report, to approve awarding the sanitary sewer rehabilitation project in Atasca Woods to Lopez Utilities Contractor LLC in the amount of \$53,107.50, and to authorize a capacity commitment letter to ALJ-Lindsey to serve a development on West Lake Houston Parkway.

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

10. **Discuss and take necessary action in connection with District website.** Director Galeucia said the new website is up and running. He discussed website updates.

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 August 22, 2013.

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President, Board of Directors

[Signature]
Secretary, Board of Directors

(DISTRICT SEAL)

