

MINUTES OF MEETING OF BOARD OF DIRECTORS
January 23, 2019

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 23, 2019, whereupon the roll was called of the members of the Board, to wit:

Charlie Crocker, President
Ernest Bezdek, Vice President
Andrew Galeucia, Secretary
Asdrubal "Dru" Gutierrez, Assistant Secretary
Curtis McMinn, Assistant Secretary

Persons Attending. All members of the Board were present. Also attending all or parts of the meeting were Ms. Darce' Ahlschlager of Wheeler & Associates, tax assessor and collector for the District; Mr. Allen Jenkins and Mr. Dustin Hebert of Inframark, LLC, operator for the District; Ms. Kim Shelnett of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Brian Gerould of IDS Engineering Group ("IDS"), engineer for the District; Mr. Armando Almeida, resident of the District; and Ms. Kathleen Ellison and Ms. Jaquice Horton 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 December 19, 2018.** The Board considered the proposed minutes of the regular meeting of December 19, 2018, previously distributed to the Board. 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 the regular meeting of December 19, 2018, as presented.

2. **Public Comments.** This item was deferred until later in the meeting.

3. **Review Bookkeeper's Report, approve investment report, and authorize payment of bills.** The President recognized Ms. Shelnett, 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 B.*"

Upon motion by Director Galeucia, seconded by Director McMinn, 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 9241 through 9257 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

4. **Discuss dedicating Water Plant 1.** Director Bezdek reported that he is waiting for the cost estimate from the company he contacted for the dedication signage. He said he was working toward a dedication ceremony in February.

5. **Discuss Water Plant Security.** The Board discussed the security at the District's water plants. Mr. Gerould informed the Board of a company that provides video surveillance. The President requested that Mr. Gerould request a proposal for their services.

Discussion ensued regarding the gas chlorine system at the water plants. The President asked Mr. Jenkins to provide pricing for switching to a liquid chlorine system. No action was taken at this time.

6. **Adopt Resolution Designating Meeting Places and Location of Posting of Meeting Notices.** Ms. Ellison presented to and reviewed with the Board the Resolution Designating Meeting Places and Location of Posting of Meeting Notices (the "Resolution"), a copy of which is attached hereto as *Exhibit "C."* Upon motion by Director Galeucia, seconded by Director McMinn, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution as presented.

7. **Review Tax Assessor and Collector's report and authorize payment of bills.** The President recognized Ms. Ahlschlager, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of December 2018, a copy of which is attached hereto as *"Exhibit D."* Ms. Ahlschlager noted that 61.3% of the District's 2018 taxes had been collected as of the meeting date.

Upon motion by Director Bezdek, seconded by Director Gutierrez, 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 3966 to 3973 from the Tax Account to the persons, in the amounts, and for the purposes listed in the report.

8. **Adopt Resolution Authorizing Additional 20% Penalty on Delinquent Taxes.** Ms. Ellison presented to and reviewed with the Board the Resolution Authorizing Additional 20% Penalty on Delinquent Taxes Under Sections 33.07, 33.11, and 33.08, Tax Code (the "Resolution"), a copy of which is attached hereto as *Exhibit "E."* Ms. Ellison reported that the revenue collected by levying this penalty is used to pay the delinquent tax attorney for the services provided to the District. Upon motion by Director McMinn, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution as presented.

9. **Report on Eminent Domain Annual Report Filing.** Ms. Ellison reviewed with the Board the Eminent Domain report filing, a copy of which is attached hereto as *Exhibit "F."* Ms. Ellison stated that the District is required to file an annual report with the Texas Comptroller of Public Accounts to retain its right to eminent domain. She stated that NRF is making this filing on behalf of the District.

10. **Discuss allocation of SPA moneys.** The President reported meeting with the President of the Atascocita South Community Improvement Association. The President requested that Ms. Ellison prepare correspondence which can be forwarded to the homeowners' associations on the types of projects the District can fund.

Director Bezdek stated that he is interested in using the SPA money for security.

Director Gutierrez updated the Board regarding constructing sidewalks around Timbers Elementary School. Director Gutierrez stated that the school was not interested in a sidewalk on the west side of the property, but is interested in a sidewalk on the north side. Mr. Gerould informed the Board that he will work on a cost estimate and obtain proposals from three contractors. Director Gutierrez informed Mr. Gerould that the School District Superintendent requested to meet with the District's engineer concerning the project.

Director Gutierrez reported that the Principal of Timbers Elementary School welcomed the idea of a weather station project.

There was no action taken at this time.

11. **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 2018, a copy of which is attached hereto as "*Exhibit G.*"

Mr. Jenkins reported on repairs in the District.

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 Operations Report, send accounts in the aggregate amount of \$1,900.63 to collections, write-off accounts with an aggregate balance of \$21.49, and terminate the delinquent accounts in accordance with the Rate Order.

12. **Discuss and take any necessary action regarding the District's rate order.** Director Bezdek presented and reviewed with the Board the MUD Rate Comparison report, a copy of which is attached hereto as *Exhibit "H."* He suggested that the Board review the rates of surrounding districts.

Ms. Ellison reviewed with the Board the proposed changes to the rate order. Upon motion by Director Bezdek, seconded by Director Gutierrez, after full discussion and the question being put to the Board, the Board voted unanimously to approve the amended rate order, a copy of which is attached hereto as *Exhibit "I."*

13. **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 J.*"

Mr. Gerould reported on the Sanitary Sewer Rehabilitation, stating that all work is complete. He stated that IDS is waiting for the contractor to submit their pay application paperwork.

Mr. Gerould reported that HCMUD No. 153 has requested that the existing interconnect near FM 1960 be abandoned. He said he did not know if HCMUD No. 153 would have an interest in an interconnect at another location. Discussion ensued.

Mr. Gerould reported on Water Well No. 1 at Water Plant No. 1. Mr. Gerould stated that the

project has been publically advertised, and the bids opened on January 10, 2019, with four contractors submitting bids. Mr. Gerould recommended awarding the construction contract to the lowest bidder, Weisinger, Inc., in the amount of \$126,642.00.

Mr. Gerould reported on Water Plant No. 1 GST No. 2, stating that IDS will be completing the contractor's one-year warranty inspection of the ground storage tank coating on February 4th, 2019 at 9:00 a.m.

Upon motion by Director Gutierrez, 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 and award the water well No. 1 rehabilitation project to Weisinger, Inc.

14. **Authorize capacity commitments.** There were no capacity requests.

15. **Discuss and take necessary action in connection with District website.** Director Galeucia reviewed website analytics with the Board.

Director Galeucia left the meeting.

16. **Public Comments.** President Crocker recognized Mr. Almeida of 6722 Dawn Star, who discussed a sinkhole in his yard and presented pictures and two reports from plumbing consultants, copies of which are attached hereto as *Exhibit "K"*. Mr. Jenkins then reviewed with the Board the repair done at Mr. Almeida's residence. Upon inquiry from the President as to what he was seeking from the District, Mr. Almeida requested that the Board repair the District's sanitary line at the connection with his line and the sidewalk in front of his property.

The President directed Inframark to get the District's line televised and either make a copy of the video available to Mr. Almeida or make sure he is available to observe the televising. The President also instructed Inframark to repair the line if there is a problem. He also directed Inframark to level the area and replace the sidewalk at 6722 Dawn Star. The Board also decided to replace the sidewalk at 18703 Atascocita Forest Drive.

17. **Other Reports.** Director Bezdek reported that there will be a Harris County Flood District meeting tonight at 6:30 p.m. to discuss projects.

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 27th, 2019.



President, Board of Directors



Secretary, Board of Directors

(DISTRICT SEAL)