

MINUTES OF MEETING OF BOARD OF DIRECTORS  
April 24, 2019

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

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, April 24, 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 except Director Galeucia. 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 of Inframark, LLC ("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. Grandi Saad of RSC Engineering; Mr. Frank Fulco and Mr. Jon Spears of TRNG Fountainwood at Lake Houston ("TNRG"); 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 the minutes of the special meeting of March 25, 2019 and the regular meeting of March 27, 2019.** The Board considered the proposed minutes of the special meeting of March 25, 2019 and the regular meeting of March 27, 2019, previously distributed to the Board. 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 approve the minutes of the special meeting of March 25, 2019 and the regular meeting of March 27, 2019, as presented.

2. **Public Comments.** The President recognized Mr. Spears, who introduced himself to the Board and presented a pamphlet on the TRNG senior living center currently under construction within the District, a copy of which is attached hereto as *Exhibit "B"*. Mr. Spears requested that the Board lower the tap fee to be charged to the senior living center pursuant to its rate order. He said the tap fee was 200% of the actual cost of the taps and inspections. Discussion ensued concerning the purpose of the tap fee.

Mr. Gerould presented two calculations of the tap fee; one totaling \$215,799 and the other totaling \$136,62, copies of which are attached as part of *Exhibit "B"*. He said the difference was that for the lower one, the tap fee for the 8" meter vault and the road bore was calculated at cost and not at 200% of cost. He said those items are not usually needed for a connection. Discussion ensued.

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 accept partial payment of \$136,629 for the tap fee but to reserve the right to charge an additional tap fee after further deliberation at the next meeting. Mr. Fulco and Mr. Spears left the meeting.

3. **Discuss Dedicating Water Plant 1.** Director Bezdek reported that the ceremony is tentatively scheduled for Wednesday, May 15<sup>th</sup> at 7:00 p.m., at the Atascocita Volunteer Fire Department in the District.

4. **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 March 2019, a copy of which is attached hereto as *Exhibit "C."* Mr. Ahlschlager noted that 97.14% 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 3995 to 4000 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 "D."* Ms. Kay presented 17 checks and 6 deposit refunds for the Board's approval.

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 Bookkeeper's Report, to accept the Investment Report, and to authorize payment of check numbers 9298 through 9314 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

6. **Approve budget for fiscal year ending May 31, 2020.** Ms. Kay presented to and reviewed with the Board a draft budget for fiscal year ending May 31, 2020, a copy of which is attached to the Bookkeeper's Report. Discussion ensued regarding the budget line items. The Board tabled this item.

7. **Discuss allocation of SPA moneys.** The President opened discussion to the use of SPA moneys.

A. **Sidewalks.** Ms. Ellison informed the Board that there will need to be an Interlocal agreement between the Board and the School District regarding the sidewalk project.

B. **Weather Stations.** Ms. Ellison presented a proposal from Dynamax Inc. to install weather stations at Timbers Elementary, Atascocita Middle School, and Atascocita High School for the amount of \$22,575, a copy of which is attached hereto as *Exhibit "E."* Ms. Ellison informed the Board that there will need to be an Interlocal agreement between the Board and the School District concerning the weather station project, as well. No action was taken at this time.

8. **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 March 2019, a copy of which is attached hereto as *Exhibit "F."*

Mr. Jenkins reviewed the Major Maintenance Summary for March 2019, a copy of which is attached to the Operations Report. He provided an annual report on identity theft protection.

Mr. Jenkins presented to the Board proposals for new fencing at Water Plant #2, copies of which are attached to the Operations Report. Discussion ensued. Mr Jenkins presented to the Board proposals for new privacy slats at Water Plant #1, copies of which are attached to the Operations Report. Discussion ensued. The Board agreed to table these items and put them in the next budget.

Mr. Jenkins informed the Board that Inframark will be sending out a series of communications to District customers notifying them that the online gateway provider will be upgraded and replaced to PACE, requiring customers using credit cards to set up their accounts on the new system.

Mr. Jenkins requested that the District's rate order be amended to allow credit card payments and E-checks as acceptable forms of payment after a customer's check is returned or after a customer has been disconnected.

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 Operations Report, to authorize accounts in the aggregate amount of \$166.21 be sent to collections, to approve the write-off of accounts with an aggregate balance of \$20.74, and to terminate the delinquent accounts in accordance with the Rate Order.

**9. 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 that the plans for the sidewalks at the elementary school are ready to submit to Harris County. He stated that adding a ramp at the crosswalk can be added if the Board desires. The Board directed Mr. Gerould to include ramp modifications to the plans for the project, as well as repairs to the driveway adjacent to the sidewalk.

Mr. Gerould reported that he spoke to Mr. Matt Froehlich again and he said that HC MUD 153 ("MUD 153") would like to move forward with eliminating the interconnect meter as soon as practical. Mr. Gerould stated that plugging the line near Walgreens driveway would eliminate the interconnect with MUD 153. Ms. Ellison said she would review the agreement between MUD 153 and the District. No action was taken at this time.

Mr. Gerould reported that the engineer working on the FM 1960 expansion has asked for a letter of abandonment for the 24" water line that runs under FM 1960. He said the line had been plugged by Harris County MUD 132 and was not being used. Discussion ensued.

Mr. Gerould reported that the contractor has completed the brushing and jetting of Water Well No. 1 at Water Plant No. 1 and they intend to do the post brushing survey this week.

He stated that the new pump is scheduled to be shipped May 10<sup>th</sup>. He stated that they anticipate being able to put the well back in service within two weeks of receiving the equipment.

Mr. Gerould reported that he spoke with Chlorinator Maintenance and they have detectors for chlorine with audible alarms and flashing beacons. He stated each unit costs approximately \$5,000 if installed at the chlorine building and that there would be additional costs to install at other areas of the plant due to running power to the units.

Mr. Gerould reported that ADS Environmental is looking at revised flow measurement schematics.

Upon motion by Director Gutierrez, seconded by Director McMinn, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's report and authorize the changes to the sidewalk project as discussed.

10. **Discuss and take necessary action regarding the District's rate order.** Upon motion by Director McMinn, seconded by Director Gutierrez, after full discussion and the question being put to the Board, the Board voted unanimously to authorize an amendments to the rate order at the next meeting to include credit card payments and E-check as acceptable forms of payment after a customer's check is returned or after a customer has been disconnected.

11. **Discuss Water Plant Security.** This item was previously discussed during the Operations report.

12. **Discuss Interconnect with HCMUD No. 153.** This item was previously discussed during the Engineer's report.

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

14. **Discuss and take necessary action in connection with District website.** The president recognized Ms. Ellison who presented a letter of correspondence discussing the Texas Emergency Preparation Tax Holiday from Mr. Allen DeJonge, the District's web manager, a copy of which is attached hereto as *Exhibit "H"*. Mr. DeJonge asked if the Board would like to include notice of this holiday on the District's website. Discussion ensued. The Board decided to post the information.

Director McMinn requested that Mr. Jenkins prepare a notice for the website of Inframark's new policy regarding acceptance of credit card payments and E-checks and of the need for customers to re-enter their credit card information for automatic billing.

15. **Other Reports.** Director Bezdek gave a brief AJOB report.

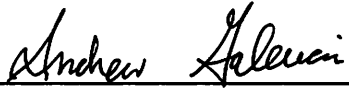
THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

\* \* \*

The above and foregoing minutes were passed and approved by the Board of Directors on May 22, 2019.



\_\_\_\_\_  
President, Board of Directors



\_\_\_\_\_  
Secretary, Board of Directors

(DISTRICT SEAL)