

MINUTES OF MEETING OF BOARD OF DIRECTORS  
June 26, 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, June 26, 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 Bezdek. 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; Mr. Brian Gerould of IDS Engineering Group ("IDS"), engineer for the District; Ms. Karrie Kay of Myrtle Cruz, Inc., bookkeeper for the District; Ms. Anthea Moran of Masterson Advisors ("Masterson"), financial advisor for the District; and Ms. Kathleen Ellison, Mr. William Zakhary, 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 regular meeting of May 22, 2019.** The Board considered the proposed minutes of the regular meeting of May 22, 2019, previously distributed to the Board. Upon motion by Director McMinn, 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 May 22, 2019, as presented.

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

3. **Discuss Dedicating Water Plant 1.** There were no updates to reports.

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 May 2019, a copy of which is attached hereto as *Exhibit "B."* Ms. Ahlschlager noted that 98.14% of the District's 2018 taxes had been collected as of the meeting date.

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 Tax Assessor and Collector's Report and to authorize payment of check numbers 4008 to 4019 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 the Bookkeeper's Report, investment report, and a report on District deposits and pledged securities, copies of which are attached hereto as *Exhibit "C."* This report included 21 checks and 9 deposit refunds for the Board's approval.

Ms. Kay noted check 9348 payable to Texas State Comptroller for unclaimed property in the amount of \$436.38.

Ms. Kay noted checks 9350 through 9352 for payments made for the District's insurance for the 2019-2020 policy period.

Upon motion by Director McMinn, 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 accept the Investment Report, and to authorize payment of check numbers 9333 through 9354 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

**6. Discuss allocation of SPA moneys.**

**A. Sidewalks.** The President recognized Ms. Ellison, who informed the Board that she had been in contact with the legal counsel for Humble ISD regarding the Interlocal Agreement. She reviewed with the Board changes to the Interlocal Agreement made by HISD. She said HISD wanted to split the Interlocal Agreement into two agreements to deal with the sidewalk and weather stations separately. Mr. Gerould updated the Board on county changes to the project plans for the sidewalk submitted by the District.

**B. Weather Stations.** Ms. Ellison informed the Board that the IT department had additional questions regarding the set-up for the weather stations. Discussion ensued.

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 an Interlocal Agreement with Humble ISD for the construction of a sidewalk at Timbers Elementary School and an Interlocal Agreement with Humble ISD for the installation of weather stations at Timbers Elementary School, Atascocita Middle School, and Atascocita High School.

**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 May 2019, a copy of which is attached hereto as *Exhibit "D."*

Mr. Jenkins reviewed the Major Maintenance Summary for May 2019, a copy of which is attached to the Operations Report.

Director Galeucia requested that Mr. Jenkins provide an update to the Board regarding the police report filed for the fire hydrant that was hit on the corner of Wisteria Chase and Aerobic Drive. Mr. Jenkins stated he will follow up with the Board at the July meeting.

The President inquired about the accuracy of the new water meters installed in the District. Discussion ensued.

Mr. Jenkins presented to the Board a response from Harris County to a claim that was submitted by Inframark on behalf of the District, for the water line repair work done on 7114 Fountain Lilly in the amount of \$5,554.51, a copy of which is attached to the Operations Report. Mr. Jenkins informed the Board that the District's claim was rejected. The Board requested that Ms. Ellison follow up with the County. Discussion ensued.

Mr. Jenkins reported on the Harris County Municipal Utility District No. 153 ("MUD 153") interconnect on W. Lake Houston Parkway. He stated that the cost estimate to the District to abandon the interconnect metering station is about \$13,800.00. Discussion ensued. No action was taken at this time.

The President requested additional proposals for new fencing installation at the District water plants.

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 Operations Report, to authorize accounts in the aggregate amount of \$305.32 to be sent to collections, to write-off an account with an aggregate balance of \$7.66, and to terminate the delinquent accounts in accordance with the Rate Order.

**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 "E."*

Mr. Gerould reported that the rehabilitation of Water Well No. 1 at Water Plant No. 1, has been completed and that the well is back in service. He presented for the Board's review and consideration, the third and final pay application in the amount of \$79,505.00. He stated that IDS has reviewed the application and is recommending payment.

Mr. Gerould reported on the sidewalk project on Lonesome Woods Trail and Long Trace Drive. He stated that subsequent to the May meeting, the District engineers met with Harris County to discuss the additions to the project scope the County wanted. He said that the County modified its requirements. Mr. Gerould said that IDS resolicited bids based on the revised drawings and received one in the amount of \$58,982. He stated that the low bid prior to making the County's requested changes was \$43,630 so the price increased approximately \$15,000 but not the \$25,000 that was anticipated based on the County's original requirements.

He stated that the contractor is ready to move forward.

Mr. Gerould reported that there were no requests for water or sewer capacity.

Mr. Gerould stated that he sent the request for an additional tap fee to the TRNG senior living center.

Director Gutierrez asked the Board if they would like to put up a sign to notify the public that the sidewalk projects was sponsored by the District. Discussion ensued. It was the consensus of the Board to post a message on the District's website.

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

Engineer's report and authorize a message to be posted on the District's website regarding the sidewalk project.

9. **Discuss Water Plant Security.** Director Galeucia stated that he would follow up with vendors from the AWBD conference.

The President requested that Mr. Jenkins make sure the audible alarm for chlorine leaks at the water plant is working. Mr. Jenkins stated he will report at the July meeting.

10. **Discuss and take any necessary action regarding the District's rate order.** There was no action taken at this time.

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

12. **Discuss and take necessary action in connection with District website.** Director Galeucia informed the Board that the District website has been updated with new information.

**Discuss bond refunding and selection of underwriter.** The President recognized Ms. Moran, who presented to and reviewed with the Board an analysis for refunding the District's Outstanding bonds, a copy of which is attached hereto as *Exhibit "F."* Ms. Moran reviewed the District's options for lowering its debt service expenses by refunding certain maturities of its outstanding bonds. She noted that such savings are net of the costs to issue the refunding bonds and must meet the minimum savings requirement set by the City of Houston. Ms. Moran noted that SAMCO, Inc. was very interested in serving as underwriter for the issuance, as they have underwritten the District's previous bond sales.

Upon motion by Director Galeucia, seconded by Director Gutierrez, after full discussion and the question being put to the Board, the Board voted unanimously to approve proceeding with the issuance of refunding bonds, and to approve SAMCO, Inc. as the underwriter for the refunding bonds.

13. **Report on AWBD Conference.** The Board discussed the AWBD summer conference. Director Galeucia discussed various topics from the Conference and discussed new legislation.

14. **Other Director or Consultants Reports.** There were no reports at this time.

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 July 24, 2019.

  
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President, Board of Directors

  
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Secretary, Board of Directors

(DISTRICT SEAL)