

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 150
June 18, 2019

The Board of Directors ("Board") of Harris County Municipal Utility District No. 150 ("District") met at the Board's meeting place at 13563 Bammel North Houston, Houston, Harris County, Texas, on June 18, 2019, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Robert M. Cadena, President
Shirley Adams, Vice-President
Roosevelt Johnson, Secretary
Charlotte M. Mays, Assistant Secretary
Oliver M. Agard, Assistant Vice President

and all of said members were present, thus constituting a quorum.

Also present were Joseph Bowen and Sharon Taylor of the public; Marian Henderson, Debra Johnson and Cordelia Brown of Harris County Municipal Utility District No. 217 ("HCMUD 217"); Rene Anandel of Wheeler & Associates, Inc. ("W&A"); Carol Morrison of Municipal Accounts & Consulting, L.P. ("MAC"); Deputy Davis and Sergeant Russell of Harris County Sheriff's Office ("HCSO"); Paul Villareal and Sandra Washington of Water Wastewater Management Services, Inc. ("WWWMS"); Alene Efaw of BGE; Jeremy Roach of Apollo IT Consulting, Inc. ("Apollo"); and Kara Richardson and Ryan Ashcraft of Marks Richardson PC ("MRPC").

The President called the meeting to order at 6:00 p.m.

APPROVE MINUTES

The Board considered approval of the minutes of the Board meetings held on May 21, 2019. After discussion, Director Agard made a motion to approve the minutes of the meetings of May 21, 2019, as amended. Director Johnson seconded the motion, which carried unanimously.

PUBLIC COMMENT

The Board next considered comments from the public. Mr. Bowen stated that a Republic Waste Services truck leaked what appeared to be paint on the street near Church's Chicken on June 12, 2019. Director Cadena recommended that Mr. Bowen call Harris County to request that they clean same.

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY ("CHCRWA")

The Board next deferred discussion on the status of the CHCRWA as no one present had anything new to report.

DISTRICT WEBSITE MAINTENANCE

The Board next considered the status of the District's website. Mr. Roach addressed the Board and apologized for the various issues with his company's responsiveness over the past few months, noting that Apollo has been growing and having trouble adjusting to its increased work volume. Director Cadena noted that he contacted Mr. Roach over a month ago to request various updates to the website and never received a call back. He also noted that the Board has not received an update on the website analytics in several months. Director Cadena requested that Apollo deliver a monthly website analytics report to the Board each month in advance of the meeting. Mr. Roach then reviewed the analytics report with the Board for the month of May. He stated that approximately 125 to 150 people visit the District's website each month. Ms. Richardson noted that the legislature recently passed new laws relating to mandatory website information and that she will summarize same and send to Apollo.

GARBAGE COLLECTION MATTERS

The Board next deferred discussion on garbage collection matters as no one present had anything to report.

LANDSCAPING MAINTENANCE MATTERS

The Board next discussed the landscaping maintenance services by Yellowstone Landscape ("Yellowstone"). Director Adams stated that she has noticed that the maintenance services by Yellowstone have declined. Director Agard stated that Yellowstone planted the new shrubs, but they appear to have died. Director Cadena stated that he visited the WWTP site last week and noticed that there was trash at the site and that the shrubs along the fence line have not been trimmed. Director Cadena stated that Yellowstone is being paid extra to trim the shrubs. He also stated that he visited the elevated storage tank today and noticed that the vines are growing back again. Directors Cadena and Adams noted that they have talked to and emailed representatives of Yellowstone on numerous occasions regarding the various issues. Director Adams then requested that a representative of Yellowstone attend the next meeting to discuss the issue further.

SECURITY PATROL SERVICES

The Board next considered District security patrol services. Sergeant Russell reported on recent activity in the District. He stated that there has been a slight increase in activity since last month which is likely due to it being summertime. Sergeant Russell then reported the following: 1) he pulled over a gang member who was subsequently arrested by an undercover gang officer, 2) a solicitor in the Camden Park neighborhood challenged an officer's authority to stop him and the District Attorney's office was called and stated that a Board member needed to come to the scene to enforce the no-soliciting rule, 3) there have been recent threats to the mosque in the area and a task force is investigating the matter, 4) activity at the Exxon gas station has calmed down, 5) a person was caught illegally carrying a weapon in the Northcliffe Manor neighborhood, 6) a man on Cliveden was threatening people with a pipe, 7) a burglar was caught on Churchill Gardens, 8) a person was arrested at the apartment complex on Camden Parkway for forcing

himself on a woman in the parking lot, and 9) a complaint was received from a mail carrier about a neighborhood man repeatedly harassing her and making sexually offensive gestures. Director Johnson thanked Sergeant Russell for his good work and for keeping the Board up to date on matters.

STATUS OF PROPOSED JOINT SIDEWALK PROJECT

The Board next considered the status of the proposed joint sidewalk project. Mr. Ashcraft stated that he met with Board members of HCMUD 217 and representatives of Spring Independent School District ("Spring ISD") to discuss the plan to submit to Harris County for assistance in the potential construction of sidewalks on Walters Road. Ms. Efaw then asked if HC MUD 217 received Spring ISD's sidewalk master plan and noted that she is waiting on same in order to prepare a map to submit to Harris County. Ms. Henderson stated HC MUD 217's attorney has been out on vacation so HC MUD 217 has not received an update on the matter. Director Cadena stated that he emailed Spring ISD to let them know that the parties are waiting on the information from them in order to move forward and if Spring ISD does not provide the requested information within ten (10) days after HCMUD 217's next meeting, the parties will move forward with the project without Spring ISD's input. Mr. Ashcraft stated that it would be financially beneficial for Spring ISD to participate in the project because Harris County will fund 100% of the costs to connect sidewalks from the edge of a subdivision to the edge of school property, as long as the school has constructed the sidewalk on the school property to the edge of the school's property to the point of the proposed sidewalk connection. Mr. Ashcraft stated that he will continue facilitating the conversations among the various stakeholders and report back to the board next month.

Director Mays entered the meeting at this time.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Anel presented the attached Tax Assessor-Collector's report for the month of May. The Board reviewed the report and noted that the District collected 96.78% of its 2018 taxes through May 31, 2019. The Board next reviewed the attached Delinquent Collections List ("DCL") as of May 31, 2019, as prepared by W&A.

Ms. Anel next reviewed the attached report dated June 18, 2019, which had been prepared by Perdue, Brandon, Fielder, Collins & Mott L.L.P. ("Perdue"). The Board noted that the status of the Richard G. Miller account as reflected on the Perdue report differs from the status reflected on the DCL. Director Agard then asked about the account for 11907 Silver Island and whether water service is still disconnected. Mr. Villarreal stated that service should still be disconnected but that he will research the matter.

After review and discussion, Director Agard made a motion to approve the report and to authorize payment on the Tax Account for check nos. 4037 through 4042, inclusive, and two (2) wire transfers, as identified in the report. Director Adams seconded the motion, which carried unanimously.

COLLECTION OF DELINQUENT TAXES

The Board next considered authorizing Perdue to pursue the collection of delinquent taxes for 2018 and prior years, including the filing of lawsuits. After discussion, Director Agard made a motion to authorize Perdue to proceed with the collection of the District's 2018 and prior years' delinquent tax accounts, as set out above. Director Mays seconded the motion, which carried unanimously.

OPERATOR'S REPORT

Mr. Villarreal next presented the attached report from WWWMS dated June 18, 2019 and reviewed same with the board. He stated that going forward, WWWMS will email all materials for Board meetings to the Board members rather than handing out paper reports at the Board meetings.

Mr. Villarreal reported that GM Services completed the well pump performance testing at Water Plant Nos. 1 and 2.

Mr. Villarreal reported that STP Services ordered the air compressors for Water Plant Nos. 1 and 2 and that same will be installed once received.

Mr. Villarreal reported that the fire hydrant sandblasting and primer project is complete and that the contractor has started applying the final paint.

Mr. Villarreal reported that the new safety signs from Seton-US are being installed at the facilities.

Mr. Villarreal next stated that he received a call from Mr. Bowen that a resident has been parking in front of the Water Plant gate on the weekends. Mr. Villarreal suggested installing a towing sign to deter parking in front of the gate. Director Johnson suggested also installing towing signs by the entry gates at Water Plant Nos. 1 and 2. The Board agreed to have signs installed at all three locations.

Director Cadena stated that people are removing the reflectors from the gate at the elevated storage tank site. Mr. Villarreal stated that he will research the Harris County requirements and will install additional reflectors. Director Agard suggested that the HCSO patrol the area more frequently to deter vandalism.

Mr. Villarreal reported that WWWMS received three (3) quotes for the manhole repair on S. Camden Parkway. He presented quotes from Nuun for \$39,900.00, from Camino Services for \$31,647.50, and from Tackle Construction Co., Inc. for \$20,300.00. The Board deferred action on the matter until next month's meeting.

Mr. Villarreal reported that the water main line valve survey inspection is completed. He stated that several valves still need to be cleaned, adjusted and located.

Mr. Villarreal discussed the Emergency Preparedness Plan (“EPP”) with the Board which was last completed in 2010. He stated that the EPP needs to be updated to reflect current equipment and contact information. He noted that he sent the EPP to Ms. Efaw for review.

Director Agard next asked Mr. Villarreal to provide an update to the Board on hurricane preparedness. Mr. Villarreal stated that the District’s generators are serviced quarterly as part of a contracted maintenance program so the generators should be in good condition in the event of a hurricane. Director Agard then asked about surge protection and if the District has ever received quotes for same. Mr. Villarreal stated that he will contact JP Morin to find out if they can re-submit the information for surge protection.

Mr. Villarreal stated that WWWWMS is working with East Tex on sampling containers for Water Plant No. 2. He also noted that trash is accumulating along the sidewalk on Antoine Drive near the lift station site and asked the Board whether it would like WWWWMS to dispose of the trash. The Board authorized WWWWMS to dispose of the trash.

Mr. Villarreal next presented a Power Point presentation to the Board of recent repairs and updates performed at the District’s facilities. He also reviewed some recommendations to address potential issues at District facilities identified by WWWWMS. Director Cadena then asked for status updates on various pending repairs. He then requested that WWWWMS obtain a price quote to clean up the area under the step screen. Director Agard then suggested that the Board hold a special meeting to tour the District’s facilities. The Board concurred with Director Agard’s suggestion and requested that MRPC prepare an agenda for a meeting to be held at 8:30 p.m. on June 26, 2019. Director Agard next asked about ways to prevent mud and dirt from entering water meter boxes. Mr. Villarreal stated that dirt washes in when it rains and that it is virtually impossible to prevent that from happening. He noted that zip ties can be used to keep the meter boxes from floating away during rain events, but that they won’t keep dirt and mud from entering the boxes. Mr. Villarreal stated that WWWWMS can clean out the meter boxes if the Board would like, but that they will eventually fill with dirt over time. He stated that WWWWMS cleans out the meter box when replacing a meter.

Ms. Washington reported that the customer residing at 3631 Lancaster Walk Drive is requesting an adjustment and a payment plan for their water bill from May. She stated that the customer had a leak that was repaired and that the customer has no prior adjustments. After discussion, the Board denied the request for an adjustment, but agreed to a payment plan. The Board authorized WWWWMS to work with the customer on a twelve-month (12) payment plan.

The Board next considered authorizing the termination of water service to delinquent accounts and requests for extension of termination deadline. After discussion, Director Mays made a motion to authorize WWWWMS to terminate water service to all delinquent accounts, except as noted above. Director Agard seconded the motion, which carried unanimously.

After discussion, Director Mays made a motion to approve the operator’s report, as presented. Director Agard seconded the motion, which unanimously carried.

COMMENTS FROM HCMUD 217

The Board next considered comments from HCMUD 217 relative to the operation of the wastewater treatment plant. No one present had anything to discuss.

DISCUSS VERBIAGE ON WATER BILL

The Board next considered a discussion regarding the verbiage on the water bill. Director Agard stated that he has an issue with some of the verbiage and would like to change it to set out the penalty that will apply if the bill is not paid on time. After discussion, Director Adams made a motion to approve changing the verbiage on the water bill, as discussed above. Director Mays seconded the motion, which unanimously carried.

Director Agard next asked about certain language used in the Consumer Confidence Report recently sent out to customers and stated that he is concerned about making the representation that the District uses both groundwater and surface water supplies since the water supplied to customers is solely surface water. Ms. Richardson noted that the District is legally required to list all water sources in the Report, noting that, while the District may not supply surface waters to its customers, it does utilize groundwater for District operations. She suggested that the language in the Report could be clarified in the future to reflect how each water source is utilized by the District. Director Agard then asked about the water loss reported on the Report, noting that it was substantial. He asked about potential ways to reduce water loss by the District. Mr. Villarreal recommended that the Board consider replacing the District's commercial water meters. He also stated that WWMS will pull historical data on annual water loss.

STATUS OF PRIVATE DETENTION PONDS IN DISTRICT

The Board next considered the status of private detention ponds in the District. Ms. Richardson stated that MRPC submitted a package regarding the status of the District's private detention ponds to Harris County on June 3, 2019. She stated that Harris County responded today advising that they will handle the issues noted in the package.

ENGINEER'S REPORT

Ms. Efaw next presented the attached engineer's report prepared by BGE related to the design, advertisement for bids, and/or award of construction contracts, the status of contracts previously awarded, and the acceptance of any easements or sites.

The Board next deferred the approval of plans and authorizing advertisement for bids for the regrading and installation of concrete at the WWTP.

The Board next deferred the approval of plans and authorizing advertisement for bids for Water Plant No. 1 improvements.

The Board next considered the approval of plans and authorizing advertisement for bids for the elevated storage tank coating. She stated that BGE cannot locate the original as-built plans for the tank but is currently working on preparing the plans and specifications.

The Board next considered the approval of plans and authorizing advertisement for bids for the lift station no. 2 rehabilitation. She stated that a site visit was scheduled for today and that the survey work will be completed next week.

The Board next considered the approval of plans and authorizing advertisement for bids for the manhole rim replacement. She noted that earlier in the meeting the Board deferred approval of quotes until next month's meeting. She also stated that BGE will obtain a price quote for materials testing for next month's meeting.

The Board next considered award of construction contract for the failing outfall pipe at the WWTP. Ms. Efaw reported that BGE solicited bids for the project and recommends awarding the contract to the low bidder, Rally Construction, Inc., with a bid of \$45,667.00. After discussion, Director Adams made a motion to award the contract to Rally Construction, Inc. in the amount of \$45,667.00. Director Mays seconded the motion, with unanimously carried. Ms. Efaw then discussed the design and materials for the outfall pipe.

The Board next deferred consideration of the acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District.

The Board next considered the issuance of utility commitment requests. No one present had anything to report.

Ms. Efaw next reported on the status of a Geographic Information System ("GIS") for the District and stated that BGE is continuing to create the utility layers for the GIS.

Ms. Efaw next reported on the updates to the EPP and stated that BGE will review same. She stated that the EPP may need to be updated for generator approval.

Ms. Efaw next reported on the Lift Station on Antoine Drive. She stated that WWMS has requested final photos of the work completed by R&B to see the condition of the hardware and that R&B indicated they would come back out to take such photos but have not yet completed same. She stated that R&B has no proof that it was double bolted and the only way to confirm that would be to drain the lift station. Ms. Efaw stated that the lift station is intact and operating properly. Director Cadena suggested pumping the lift station down to confirm it was double bolted. Mr. Villarreal stated that WWMS can handle same. Director Cadena stated that he wants to confirm that the same mistake does not happen when the other lift station is taken out of service.

REVIEW AND APPROVE RESOLUTION AUTHORIZING USE OF SURPLUS FUNDS

The Board next considered the approval of a Resolution Authorizing Use of Surplus Construction Funds and Interest Earned on Construction Funds regarding the construction of the

outfall pipe at the WWTP. After discussion, Director Cadena made a motion to approve the Resolution and authorize the President to execute and the Secretary to attest same on behalf of the Board and the District. Director Johnson seconded the motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Morrison next presented the attached bookkeeping report dated June 18, 2019, open investment report, pledged securities report, profit and loss report and a report reflecting the District's debt service payments. She stated that check no. 18272 will be voided and reissued as check no. 18344. After review and discussion, Director Mays made a motion to approve payment on the Operating Account, being check nos. 18300 through 18344, inclusive, on the Capital Projects Fund account, being check no. 1502, and on the Sewage Treatment Plant Account, being check nos. 4559 through 4572, inclusive, all as identified in the report. Director Adams seconded the motion, which carried unanimously.

Ms. Morrison next presented the attached Quarterly Investment Report which had been prepared by MA&C, relative to the District's Debt Service Fund, Construction Fund and Operating Fund for the reporting period through April 30, 2019. After review of the Report, Director Mays made a motion to approve the Report and authorize the District's Investment Officer to execute same on behalf of the Board and District. Director Adams seconded the motion, which carried unanimously.

DISCUSS POTENTIAL IMPLEMENTATION OF INCENTIVE PROGRAM

The Board next discussed the potential implementation of an incentive program for the District. Director Cadena reminded the Board that he proposed giving credit incentives for turning people in for stealing water and asked the Board whether it would like to pursue these types of programs. After discussion, the Board concurred not to pursue these types of programs and requested that the item be removed from the agenda.

DISCUSS PURCHASE OF PROPERTY ON VETERANS MEMORIAL DRIVE

The Board next considered a discussion on the purchase of property on Veterans Memorial Drive. Director Mays requested that the item be removed from the agenda as the Board has other projects to focus on currently. The Board then requested that MRPC send correspondence to Harris County regarding the unmaintained property at 11903 Veterans Memorial Drive.

DISCUSS BEAUTIFICATION PROJECT ALONG ANTOINE DRIVE

The Board next discussed a beautification project within the District along Antoine Drive. Director Cadena stated that he has not requested price quotes for the potential median improvements on Antoine Drive to Walters Road. The Board discussed approaching Harris County about planting trees and installing lights on the medians. Ms. Richardson stated that she will contact Harris County to discuss the District's idea and plan for the project. She stated that

once the limitations from Harris County are known, the District can contact a landscape architect to design plans for the project.

CONSIDER REQUEST FROM NORTHCLIFFE MANOR HOA ("NCM HOA")

The Board next considered a request from the NCM HOA for improvements at the park area located near the pool and community center. Director Mays stated that the NCM HOA is requesting assistance to install one (1) playground set for \$19,513. She reviewed the attached options for play structures. Director Mays stated that she will bring an itemized proposal for review at next month's meeting.

CONSIDER REQUEST FOR ADDITIONAL TRASH BIN

The Board next considered a request for an additional trash bin to be located within the District at the Metro bus stop on Antoine Drive across the street from Joe V's. Ms. Richardson stated that the District will need to obtain permission from Harris County to install the trash bin and would need to contract with a garbage hauler to service the bin. The Board then agreed not to undertake the project. The Board then requested that MRPC send correspondence to Harris County regarding the trash issue and condition of the property at that location.

VOTING SYSTEM ANNUAL FILING FORM

Ms. Richardson next discussed for the Board's information and approval a Voting System Annual Filing Form ("Form") from the Secretary of State's Office. She advised that pursuant to Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's Office. After discussion, Director Mays made a motion to approve the Form and authorize MRPC to file same with the Secretary of State's Office, as required by law. Director Agard seconded the motion, which carried unanimously.

EXECUTIVE SESSION

The Board next deferred recessing into Executive Session to conduct a private consultation with attorney to discuss pending or contemplated litigation, or a settlement offer pursuant to §551.071, Texas Government Code.

RECONVENE IN OPEN SESSION

The Board next deferred taking action regarding contemplated litigation, or a settlement offer pursuant to §551.071, Texas Government Code.

Director Adams next updated the Board on changes with the HCSO officers.

FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. After discussion, the Board concurred to add items to the next agenda to consider: 1) discussion regarding grocery cart issues, 2) discussion regarding installation of commercial water meters, and 3) discussion regarding general election matters.

There being no further business to come before the Board, the meeting was adjourned at 9:10 p.m.


Secretary, Board of Directors

ATTACHMENTS

June 18, 2019

1. Tax Assessor Collector Report
2. Delinquent Tax Report
3. Operations Report and related correspondence
4. Preliminary Official Statement and Notice of Sale
5. Engineering Report and related correspondence
6. Bookkeeper's Report
7. Quarterly Investment Inventory Report
8. Playground Options