

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 150
July 16, 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 July 16, 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; Jerry Ewing, Marian Henderson, Debra Johnson and Cordelia Brown of Harris County Municipal Utility District No. 217 ("HCMUD 217"); Rene Andel of Wheeler & Associates, Inc. ("W&A"); Carol Morrison of Municipal Accounts & Consulting, L.P. ("MAC"); Deputy Davis of Harris County Sheriff's Office ("HCSO"); Paul Villareal and Sandra Washington of Water Wastewater Management Services, Inc. ("WWWMS"); Alene Efaw of BGE; Ramon Zuniga of Yellowstone Landscape ("Yellowstone"); 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 June 18, 2019 and June 26, 2019. After discussion, Director Agard made a motion to approve the minutes of the meeting of June 18, 2019, as presented, and to defer approval of the minutes of the meeting of June 26, 2019. Director Johnson seconded the motion, which carried unanimously.

PUBLIC COMMENT

The Board next deferred comments from the public, as no members of the public wished to speak.

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.

CONTRACT SERVICES FROM THIRD PARTY VENDORS

a) Website Maintenance. The Board next considered the status of the District's website and website services provided by Apollo IT Consulting ("Apollo"). Director Cadena stated that he would like the Board to consider proposals from other website maintenance companies. He stated that there have been several issues with Apollo, including lack of responsiveness, failure to update the website as requested, and failure to provide analytic reports to the Board prior to the meetings. Director Cadena stated that he would like to request that Off Cinco and two additional companies attend the Board's next meeting to give a presentation on website management maintenance.

b) Solid Waste Collection. The Board next considered the status of solid waste collection services from Best Trash. Director Adams stated that she noticed several trash cans left on the ground following trash collection this past month but that it was the first time she has noticed the issue.

c) Landscaping Maintenance. The Board next considered the status of landscaping maintenance services from Yellowstone. Mr. Zuniga presented and reviewed the attached Irrigation Inspection Report with various photos and he stated that the report indicated several issues with the irrigation system at the WWTP that need to be repaired. He presented a proposal for \$777.60 to repair the mainline leak, repair or replace the stuck valve and wire trace the zone 12 wire to find the location of the valve and area of coverage. Director Cadena stated that he would like to inspect the irrigation system first and recommended deferring action on the matter until next month's meeting. He then requested that Yellowstone send any reports or proposals to the Board members for review at least one (1) week prior to the meeting.

SECURITY PATROL SERVICES

The Board next considered District security patrol services. Deputy Davis reported on recent activity in the District. He stated that criminal activity is lower than normal for the summertime. Deputy Davis stated that Veterans Memorial Drive and Antoine Drive had the most car wrecks in all of Area 1 for the past month. He stated that the Sheriff's Office conducted a traffic initiative for one (1) week in that location and issued fifty (50) citations. Deputy Davis stated that the Lieutenant contacted Harris County regarding possible changes to the road configuration to reduce the number of accidents at that intersection. Director Agard stated that his neighbor reported several incidents of wheel rims being stolen from vehicles on Grand Canyon and that he also heard reports of residents being held at gun point in their driveway. Deputy Davis stated that he has not heard any reports of stolen rims.

Director Mays entered the meeting at this time.

STATUS OF INTERLOCAL PROJECTS

a) Proposed Sidewalk Project. The Board next considered the status of the proposed sidewalk project among the District, Harris County Municipal Utility District No. 217 ("HCMUD 217"), Spring Independent School District ("Spring ISD") and Harris County. Mr.

Ashcraft stated that HCMUD 217 is meeting this Thursday to consider granting final approval of the project and will then send the proposed map of the project to Harris County. He stated that once Harris County receives the map, they will be able to provide projected costs for the project. Ms. Efaw then presented and reviewed the attached Potential Sidewalk Map with the Board.

b) Proposed Median Beautification Project. The Board next discussed a proposed median beautification project with Harris County. Mr. Ashcraft stated that Precinct 4 referred him to the Harris County Landscape Permitting Division regarding the planting of trees and installation of lights on the medians. Ms. Efaw recommended contacting a landscape architect to design plans for the project which will comply with Harris County regulations. Ms. Richardson stated that MRPC will obtain three (3) proposals from landscape architects for the preparation of design plans for the project. Director Mays recommended obtaining a proposal from Novak Landscaping and stated that she will provide the contact information to MRPC.

c) Interlocal Agreement for Water Wise Program. The Board next considered approval of an Interlocal Agreement with the Harris-Galveston Subsidence District relative to sponsorship of the Water Wise Program. After discussion, Director Cadena made a motion to approve the Interlocal Agreement with the Harris-Galveston Subsidence District. Director Adams seconded the motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Anel presented the attached Tax Assessor-Collector's report for the month of June. The Board reviewed the report and noted that the District collected 97.18% of its 2018 taxes through June 30, 2019. The Board next reviewed the attached Delinquent Collections List ("DCL") as of June 30, 2019, as prepared by W&A.

Ms. Anel next reviewed the attached report dated July 16, 2019, which had been prepared by Perdue, Brandon, Fielder, Collins & Mott L.L.P. Director Cadena stated that the makeshift carwash is no longer operating after he stopped by to ask them to show proof of a sales tax ID number which they could not provide.

After review and discussion, Director Agard made a motion to approve the report and to authorize payment on the Tax Account for check nos. 4043 through 4057, inclusive, as identified in the report. Director Adams seconded the motion, which carried unanimously.

OPERATOR'S REPORT

Mr. Villarreal next presented the attached report from WWWS dated July 16, 2019, and reviewed same with the board.

Mr. Villarreal reported on the violation received from the Texas Commission on Environmental Quality ("TCEQ") for failing to submit a Disinfectant Level Quarterly Operating Report to the TCEQ for the compliance period. He stated that the violation has been cleared and the TCEQ has informed him that the District does not need to send notices to customers advising of the violation.

Mr. Villarreal reported that the air compressors for Water Plant Nos. 1 and 2 have been delivered and installed. He also noted that bollards were painted safety yellow.

Mr. Villarreal reported that WWWMS sealed in between the two frames of the drum screen at the WWTP to prevent raw sewage from leaking out. He stated that it has not leaked since they sealed it.

Mr. Villarreal reported that WWWMS met with STP Services at the WWTP to show them where to install the photocells and to request a proposal for additional light poles. The Board requested that WWWMS obtain proposals for the installation of concrete pedestals for additional light poles.

Mr. Villarreal reported that WWWMS completed the third quarter Bio-Monitoring samples.

Mr. Villarreal reported that WWWMS repaired the overflow alarm and called AT&T and found that the phone line is defective between the telephone and the water tower. He stated that the telephone wire was pulled and repaired and the phone line is now functioning properly. Mr. Villarreal stated that WWWMS recommends a new conduit line as the conduit may be rusted from water in the pipe.

Mr. Villarreal reported that the customer at 2722 Copper Valley broke their neighbor's house water line at 2718 Copper Valley while moving out of the home at 2722 Copper Valley. Mr. Villarreal stated that he attempted to coordinate repayment from the customer at 2722 Copper Valley to the resident at 2718 Copper Valley but was unsuccessful. He stated that a Sheriff Deputy is attempting to work out a solution between the two parties.

Mr. Villarreal reported that Today's Integration has new, higher-resolution cameras available if the District is interested in considering replacement of the security cameras. He stated that the security cameras on Antoine Drive are using conduit installed by a prior contractor and may not be installed properly. The Board requested that Today's Integration attend the next meeting to make a presentation to the Board comparing the new cameras to the existing cameras.

Director Adams next asked about the alarms that were triggered by the garbage company and sludge hauler at the WWTP. Mr. Villarreal stated that sometimes these contractors do not contact WWWMS prior to entering the WWTP and, therefore, set off the alarm. Director Cadena requested that WWWMS inform these contractors to contact WWWMS in advance or the District will charge them for the County alarm call fees.

Mr. Villarreal reported that a bar cable damaged a two-inch (2") service tap at 12100 Veterans Memorial Drive and that WWWMS has been unable to obtain the information on the company that damaged the line. He stated that Sergeant Russell was able to track down the company information and has set up a case number for the damages. Mr. Villarreal stated that he will forward the information to MRPC to send a demand letter to the company.

Mr. Villarreal reported that changes have been made to the water bill to inform customers of the twenty percent (20%) penalty and delinquent letter fee of \$10.00 that is added to the water bill after failure to pay by the due date. The Board then discusses the timing of various fees and penalties imposed on delinquent bills.

Mr. Villarreal stated that WWWWMS would like to purchase door tags to inform customers how to perform a toilet dye test to test for toilet leaks. He stated that the door tags can be ordered in bulk and that WWWWMS can give them out to customers who call about high-water bills.

Mr. Villarreal next recommended shredding the District's files older than 2014 and keeping the most recent five (5) years of records. He then reviewed pricing for shredding by Shred-Tex. Ms. Richardson requested that the Board defer action on the matter so that WWWWMS can provide information on the records that are proposed for destruction. She stated that she will need to ensure the retention period has expired. The Board took no action on the matter at this time.

Mr. Villarreal next recommended purchasing a tablecloth with the District's name and Water Smart logo for future community events. He stated that a six-foot (6') table throw and runner kit will cost \$195.00.

Mr. Villarreal next presented options for business cards and reviewed pricing for 250 business cards at \$59.00, 500 business cards at \$69.00 and 1,000 business cards at \$79.00.

Mr. Villarreal next presented a quote from Aqua Metric in the amount of \$64,492.48 for the replacement of commercial water meters.

Ms. Washington next discussed an appeal from the customer residing at 11982 E. Marsham Circle. She noted that the Board previously denied the customer's appeal in February but offered the customer a payment plan. She stated that the customer is still requesting that the Board consider a waiver of the penalty, late fee and door tag fee totaling \$102.55 and an extension of the payment plan to twelve (12) months. After discussion, the Board approved the request to waive the penalty, late fee and door tag fee, since the customer requested the payment plan prior to the bill becoming delinquent. The Board also approved the request for the extension of the payment plan to twelve (12) months. The Board then authorized WWWWMS to remove the penalty and late fees for all customers requesting payment plans prior to the water bill becoming delinquent.

Ms. Washington reported that the customer residing at 11727 Ironstone Court is requesting a waiver of the late fee totaling \$15.82. She stated that the customer is asserting that he did not receive his water bill. Director Cadena stated that customers should call WWWWMS if they do not receive their water bill. After discussion, the Board denied the request for a waiver of the late fee.

The Board next considered authorizing the termination of water service to delinquent accounts and requests for extension of termination deadline. After discussion, Director Johnson

made a motion to authorize WWMS to terminate water service to all delinquent accounts, except as noted above. Director Agard seconded the motion, which carried unanimously.

Director Agard next discussed the invoice from WWMS and asked about the line item for "special mailing" reflected on the invoice. Mr. Villarreal stated that the special mailing was for the mailing of the consumer confidence reports to District customers.

Mr. Villarreal reported that one hundred and sixty-three (163) fire hydrants were painted and that there are approximately twenty (20) fire hydrants remaining to be painted. He then discussed the various locations of the District's fire hydrants.

The Board next discussed purchasing business cards for Board members. Director Cadena stated that he does not want any business cards as he already has some. After discussion, Director Johnson made a motion to approve the purchase of 250 business cards for \$59.00 in the black and gold style with email addresses only, for Directors Adams, Johnson, Agard and Mays. Director Agard seconded the motion, which unanimously carried.

After discussion, Director Johnson 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.

STATUS OF MAINTENANCE OF PRIVATE PROPERTY

The Board next considered the status of maintenance of private property in the District. Mr. Ashcraft presented the attached handout of properties in the District for which MRPC has previously sent letters regarding the condition of the property. Director Adams requested that Sergeant Russell speak with the property owners regarding the issue.

GENERAL ELECTION MATTERS

The Board next discussed general election matters. Ms. Richardson reported that MRPC has contacted several companies regarding the rental of election equipment for the proposed upcoming election in May 2020. She also noted that one company has election equipment for purchase. She stated that the companies have stated that they have sufficient equipment available and that they will forward quotes for same to MRPC.

UPDATE OF 86TH TEXAS LEGISLATURE

The Board next considered an update of the 86th Texas Legislature. Ms. Richardson presented the attached Memorandum from MRPC and reviewed same with the Board.

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 considered the approval of plans and authorizing advertisement for bids for Water Plant No. 1 improvements. Ms. Efaw stated that BGE is designing plans and will coordinate with WWWWMS to finalize same.

The Board next considered the approval of plans and authorizing advertisement for bids for the elevated storage tank coating. She stated that BGE sent plans and specifications to the TCEQ and WWWWMS for review. The Board discussed the wording to be painted on the tank and agreed to use "Harris County MUD No. 150." After discussion, Director Cadena made a motion to approve the plans and specifications and authorize WWWWMS to advertise for bids for the elevated storage tank coating. Director Johnson seconded the motion, which unanimously carried.

Ms. Efaw next discussed a floodlight addition at the elevated storage tank. She reviewed the attached electrical site plan and discussed the layout for the floodlight. She noted that the location would require approval by Harris County since it is within the Harris County right-of-way. The Board requested that Ms. Efaw revise the plan to relocate the floodlight on the District's property instead of the Harris County right-of-way.

Ms. Efaw reported that BGE is preparing a site drainage layout to help with onsite drainage at the elevated storage tank.

The Board next considered the approval of plans and authorizing advertisement for bids for the lift station no. 2 rehabilitation. She stated that the survey work is complete and that BGE is working on the plans and specifications. She asked the Board if it would like to add any additional concrete pavement or driveway additions to the site. After discussion, the Board asked Ms. Efaw to include concrete pavement in the design for the lift station no. 2 rehabilitation with a fence opening on the driveway side. Ms. Efaw stated that she will have revised plans and specifications for next month's meeting.

The Board next considered the review of bids and award of contract for the manhole rim replacement. Ms. Efaw reported that BGE solicited bids for the project and recommends awarding the contract to the low bidder, Tackle Construction Co., Inc., with a bid of \$20,300.00. She noted that Tolunay-Wong Engineers, Inc. provided a proposal for materials testing in the amount of \$2,696.00. After discussion, Director Cadena made a motion to award the contract to Tackle Construction Co., Inc. in the amount of \$20,300.00, and approve the proposal from Tolunay-Wong Engineers, Inc. in the amount of \$2,696.00. Director Johnson seconded the motion, with unanimously carried.

The Board next considered the status of the construction contract with Rally Construction, Inc. for the replacement of the outfall pipe at the WWTP. Ms. Efaw presented a proposal from Tolunay-Wong Engineers, Inc. in the amount of 3,243.00 for materials testing. After discussion, Director Johnson made a motion to approve the proposal from Tolunay-Wong Engineers, Inc. in the amount of \$3,243.00. Director Cadena seconded the motion, with unanimously carried.

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 collect field data for the GIS.

BOOKKEEPER'S REPORT

Ms. Morrison next presented the attached bookkeeping report dated July 16, 2019, open investment report, pledged securities report, profit and loss report and a report reflecting the District's debt service payments. After review and discussion, Director Mays made a motion to approve payment on the Operating Account, being check nos. 18345 through 18392, inclusive, on the Capital Projects Fund account, being check no. 1503, and on the Sewage Treatment Plant Account, being check nos. 4572 through 4585, inclusive, all as identified in the report. Director Agard seconded the motion, which carried unanimously.

ENGAGE ARBITRAGE COMPLIANCE SPECIALISTS, INC.

The Board next deferred engagement of Arbitrage Compliance Specialists, Inc. relative to the District's Series 2015 Refunding Bonds until next month's meeting.

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

The Board next deferred consideration of a request from the NCM HOA for improvements at the park area located near the pool and community center.

CONSIDER DISCUSSION REGARDING GROCERY CART ISSUES

The Board next considered a discussion regarding grocery cart issues in the District. The Board requested that MRPC send correspondence to Joe V's regarding the cart matter.

EXECUTIVE SESSION

The Board next deferred recessing into Executive Session to deliberate the deployment, or specific occasions for implementation of security personnel or devices, or a security audit pursuant to §551.076, Texas Government Code.

RECONVENE IN OPEN SESSION

The Board next deferred taking action regarding the deployment, or specific occasions for implementation of security personnel or devices, or a security audit.

FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. After discussion, the Board concurred to hold a special meeting on August 5, 2019, at 10:00 a.m. at the offices of WWMS to consider: 1) approval of bond closing items, 2) proposals for website maintenance, and 3) proposals for landscaping maintenance for the median beautification project.

There being no further business to come before the Board, the meeting was adjourned at 8:50 p.m.


Secretary, Board of Directors

ATTACHMENTS

July 16, 2019

1. Proposal from Yellowstone and Irrigation Inspection Report
2. Potential Sidewalk Map
3. Tax Assessor Collector Report
4. Delinquent Tax Report
5. Operations Report and related correspondence
6. Properties within the District handout
7. Memorandum from MRPC
8. Engineering Report and related correspondence
9. Bookkeeper's Report