

MINUTES OF MEETING OF BOARD OF DIRECTORS
DECEMBER 17, 2020

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 132

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The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 132 (the “*District*”) convened for its regular session on December 17, 2020 at 3:00 p.m. via videoconference and teleconference in compliance with guidelines promulgated by the Texas Attorney General for use during the COVID-19 statewide disaster in connection with the temporary suspension of certain provisions of the Open Meetings Laws approved by the Office of the Governor of Texas. The President conducted a roll call of the directors named below:

Tim Stine, President
Don House, Vice President
Jerrel Holder, Secretary
Michael Whitaker, Assistant Secretary
Gregg Mielke, Assistant Secretary

All directors were present. The President determined the following additional persons were present: Mr. Nick Bailey of BGE, Inc. (“BGE”), engineers for the District; Ms. Lina Loaiza of Bob Leared Interests, Tax Assessor and Collector for the District; Mr. Allen Jenkins of Inframark (“Inframark”), operator of the District’s facilities; and Ms. Kathleen Ellison and Ms. Jane Maher of Norton Rose Fulbright US LLP (“NRF”), attorneys for the District. Ms. Karrie Kay of Myrtle Cruz, Inc. (“MCI”), bookkeepers for the District, entered the meeting in progress.

Pursuant to Section 551.054, Texas Gov’t Code, as modified by the temporary suspension of certain provisions thereof, notice of the meeting was posted on the District’s website within the time limits prescribed by law. A certificate of such posting is attached hereto as *Exhibit A*. The agenda packet was posted on the website as items became available in compliance with the guidelines issued by the Texas Attorney General.

Call to Order. The President called the meeting to order. He noted that the meeting was being held by videoconference and teleconference in accordance with federal, state and county directives to slow the spread of COVID-19 by avoiding meetings that bring people together. He said the notice of the meeting included a toll-free dial-in number for members of the public to call so they can hear the meeting and address the Board. He noted that the meeting was being recorded and a recording would be available upon public request. The President then set out guidelines for the conduct of the meeting. He asked each speaker to identify themselves before speaking. He then proceeded with the meeting business:

1. **Public Comments.** There were no public comments.
2. **Minutes.** Proposed minutes of the meeting of November 19, 2020, previously distributed to the Board, were presented for approval. Upon motion by Director House, seconded by Director Mielke, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of November 19, 2020, as presented.

3. **Review Tax Collector's Report and authorize payment of certain bills.** The President recognized Ms. Loaiza, who presented the Tax Assessor and Collector's Report, previously distributed to the Board, a copy of which is attached hereto as *Exhibit B*. She reported that 99.16% of the District's 2019 taxes and 8.68% of the District's 2020 taxes had been collected to date.

Upon motion by Director Mielke, seconded by Director Whitaker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, to authorize payment of check numbers 1611 through 1615 from the Tax Account to the persons, in the amounts, for the purposes stated in the report.

4. **Review Operations Report and authorize District maintenance and termination of delinquent account.** The President recognized Mr. Jenkins, who reviewed the Operations Report for November 2020, a copy of which is attached as *Exhibit C*. He reported an 89.0% accountability for the period October 28, 2020 through November 25, 2020.

Mr. Jenkins reviewed the Major Maintenance Summary for November 2020.

Mr. Jenkins reported that the mixers at Lift Station No. 1 have been pulled and Inframark is waiting on the estimate for the repair. He noted that the mixers failed due to the amount of grease, rags and debris in Lift Station No. 1. Mr. Bailey stated that BGE is looking to see if there are different options to replace the mixers. The Board discussed notices to residents regarding not putting grease down the kitchen drain or flushing wipes. It was the consensus of the Board to authorize Inframark to prepare a notice to be included in the bills and delivered to apartment residents. Mr. Jenkins stated that Inframark would send the notice to the President for review and approval prior to delivering to residents. The President requested that Inframark also include in the bills information regarding the West Harris County Regional Water Authority rate increase, and information about the smart meters.

Mr. Jenkins stated that going forward Inframark's report will include the number of customers who have created accounts to monitor their smart meter.

Mr. Jenkins reviewed the delinquent list. He reported that 93 letters were mailed, 42 delinquent tags were hung, and that 10 accounts were disconnected for non-payment.

Upon motion by Director House, seconded by Director Mielke, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report and to disconnect delinquent accounts in accordance with the Rate Order.

5. **Review Engineer's Report, authorize necessary capital projects and authorize capacity commitments.** The President recognized Mr. Bailey, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit D*.

Mr. Bailey stated that BGE has performed all of the annual tank inspections for the year and that BGE plans on rehabbing the Water Plant No. 2 welded Ground Storage Tank and Water Plant No. 1 Hydropneumatic Tank No. 2 next winter.

Mr. Bailey stated McKinney Construction, the contractor for the Waterline Replacement,

Phase 1 has completed all of the final inspection punchlist items, including removal of the existing fire hydrants at Pine Echo and Atascocita Shores Drive near the intersections with FM1960. He presented and recommended payment of Pay Estimate No. 7/Final in the amount of \$108,743.60.

Mr. Bailey stated that BGE has received final approval on the construction plans for the Waterline Replacement, Phase 2 from all agencies except the City of Houston. He stated that BGE will be ready to advertise the project for bids as soon as BGE receives that final approval. He presented updated maps of the waterline phasing and then a new map for the possible Phase 3 waterline replacement area, copies of which are attached hereto as *Exhibit E*. Discussion ensued.

Mr. Bailey stated that for the Bulkhead and Downstream Drainage project at the Wooden Bridge, BGE has received bids from WadeCon, LLC in the amount of \$49,400 for the timber weir/bulkhead replacement and \$12,000 for the downstream ditch drainage repairs. He recommended that the Board approve the bids and authorize BGE to proceed with setting up a short form contract for the projects.

Upon motion by Director Mielke, seconded by Director House, after full discussion and the question being put to the Board, the Board voted unanimously to approve the bids from WadeCon, LLC, contingent upon Mr. Bailey negotiating with all parties to insure that all requirements are met on an acceptable time frame.

Mr. Bailey reviewed the list of areas of potential drainage improvements. He stated that in previous meetings the Board discussed finding ways to redirect the golf course drainage away from the storm sewer system on Sunny Shores Drive, particularly on Point Holes 8 and 9. He stated that he spoke with Director Whitaker about BGE's ability to generate topographic survey data on the golf course from drone photogrammetry. He noted that BGE's survey budget for this work would be at, or below \$4,000.

Mr. Bailey stated that for the drainage improvements at Shores Hole No. 2, Stuckey's has remobilized to address some concerns regarding the drainage of the new swale, following the heavy rains a few weeks ago. He noted that Stuckey's, at their own cost, has re-graded some areas of the swale.

Mr. Bailey discussed required assessments for compliance with the American Water Infrastructure Act ("AWIA"). He stated that proposals will be presented next month for BGE to complete and submit the assessments on the District's behalf.

Upon motion by Director House, seconded by Director Mielke, after full discussion and the question being put to the Board, the Board voted unanimously to: (1) approve the Engineer's Report; (2) approve Pay Estimate No. 7/Final in the amount of \$108,743.60 to McKinney Construction for the Waterline Replacement, Phase 1; and (3) approve up to \$4,000 for BGE's topographic survey data on Pinehurst of Atascocita Section 1 Drainage Improvements.

6. Consider FM 1960 Widening issues, including payment for easements and agreements with Texas Department of Transportation. Mr. Bailey stated that BGE is waiting for the revised Standard Utility Agreement with Texas Department of Transportation ("TxDOT").

He stated that there is no update on the condemnation for Atascocita 1692 LLC.

7. **Review Bookkeeper's Report, authorize payment of bills and approve Investment Report.** The President recognized Ms. Kay, who reviewed the Bookkeeper's Report, the Investment Report, and the Deposit Collateral Report, previously distributed to the Board and attached as *Exhibit F*.

Upon motion by Director Whitaker, seconded by Director House, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report and to authorize payment of check numbers 10952 through 10977 from the Operating Account to the persons, in the amounts, and for the purposes stated therein.

8. **Discuss and take action in connection with District communications and website.** The President stated that the Board received a letter from Inframark regarding information about two social media accounts that Inframark uses to disseminate information during emergencies. He stated that the social media information has been added to the consultant page. He noted that the social media contacts are used for area wide emergencies like hurricanes, and not used for day to day issues.

9. **Other director and consultant reports.** There was no report.

10. **Discuss meeting location and take appropriate action, and such other matters as may properly come before it.** The Board discussed the next meeting. It was the consensus of the Board to hold the next regular meeting on January 21, 2021 via videoconference.

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 January 21, 2021.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)