

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

### Minutes of Meeting of Board of Directors February 23, 2016

The Board of Directors ("Board") of Harris County Municipal Utility District No. 238 ("District"), met at 18702 Kieth Harrow Boulevard, Houston, Texas, 77084 a designated meeting place of the District, on February 23, 2016, 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:

Michael McGlaughlin, President  
Randy Love, Vice President  
Patricia Richardson, Secretary  
C.L. "Steve" Crane, Assistant Secretary  
Damon Sachs, Assistant Secretary

all of said persons were present except Directors Richardson and Sachs, thus constituting a quorum.

Also present were Cathy Wheeler of Wheeler & Associates, Inc. ("Wheeler"); Cynthia Colondres of Municipal Accounts & Consulting, L.P. ("MA&C"); Jeff Vogler and Tyler Reed of Van De Wiele & Vogler, Inc., ("VVI"); Frank Garcia of Gulf Utility Service, Inc. ("GUS"); Spencer Nealy of Champions Hydro-Lawn, Inc. ("Champions"); Jonathan Roach and Frank Mitchell of Roach & Mitchell, PLLC ("RMPLLC"); Jeremy Roach of Apollo IT Consulting, LLC ("Apollo"); and resident Gary Tober.

The President called the meeting to order and declared it open for such business as might come before it.

#### APPROVE MINUTES

The Board considered for approval the minutes from the regular meeting held on January 26, 2016. Director McGlaughlin noted that a change to the minutes had been made at his request. Director Crane then made a motion to approve the minutes as revised, subject to clarification of the Assistant Secretary officer position if and as needed. The motion was seconded by Director Love and passed unanimously.

#### PUBLIC COMMENTS

No members of the public had comments for the Board at this time. Mr. Roach asked Mr. Tober if he had submitted an application to run for the Board because one had not been received by the applicable deadline. Mr. Tober stated that he believed he had sent one.

## **TAX ASSESSOR COLLECTOR REPORT**

Ms. Wheeler presented the Tax Assessor Collector Report for the month of January 2016, a copy of which is attached as **Exhibit A**. She noted that there were a few voluntary overpayments that had been corrected. After no questions, Director McGlaughlin moved to approve the Tax Assessor Collector Report. Director Love seconded the motion which carried unanimously.

## **DELINQUENT TAX COLLECTIONS ATTORNEY REPORT**

Ms. Wheeler reviewed the Delinquent Tax Collections Attorney Report. She noted some accounts that are proposed to be moved to the uncollectible roll. After discussion, Director McGlaughlin made a motion to move the subject accounts to the uncollectible roll but authorize the tax attorney to continue pursuing collection if and when appropriate. Said motion was seconded by Director Love and passed unanimously. Director McGlaughlin then asked about responses to the over-65 deferral letters sent out, and Ms. Wheeler said her office had received none to date.

## **BOOKKEEPER'S REPORT**

Ms. Colondres presented the Bookkeeper's Report, a copy of which is attached hereto as **Exhibit B**. She noted that she has voided check #7467 and reissued it as check #8148 payable to Severn Trent for the final settlement amount. The Board asked to be notified when it clears. After no further questions regarding the report, Director McGlaughlin moved to approve the Bookkeeper's Report and payment of checks presented. Director Love seconded the motion which passed unanimously.

## **ENGINEER'S REPORT**

Mr. Vogler presented a written Engineer's Report dated February 2016, a copy of which is attached hereto as **Exhibit C**. Mr. Roach gave an update on the Dulaney Road easement title issues, and Mr. Vogler indicated he would review the Harris County road maintenance logs to see whether the county had accepted the road for maintenance purposes. He next stated that VVI had received agency comments back on the Morton Road project and the City of Houston is requiring three easements for the water lines so he will work to verify title. Mr. Vogler advised that he still has not heard back from Harris County regarding the alleged unauthorized discharge from the G.O. Weiss landfill. The Board asked Mr. Roach to prepare a letter to Harris County regarding the situation, and Director McGlaughlin asked Mr. Nealy for a price estimate on desilting the channel again. Mr. Vogler noted that the Google Earth mapping project is nearly complete. Mr. Roach then mentioned correspondence from the Texas Commission on Environmental Quality regarding an upcoming asset management training program. Directors Crane and Love stated that they will be attending. Director McGlaughlin indicated that he would contact the airport about the matter.

## **MAYDE CREEK MUNICIPAL UTILITY DISTRICT ("Mayde Creek MUD") AGREEMENT FOR DRAINAGE IMPROVEMENTS**

Mr. Vogler noted that the project is still under construction at this time and that the culvert

at Ashley Road was installed with some vegetation and clean up issues remaining.

### **REPORT FROM CHAMPIONS HYDRO-LAWN, INC.**

Mr. Nealy presented a written report including several photographs depicting various detention/drainage facilities within the District, a copy of which is attached hereto as **Exhibit D**. He noted the need for overseeding on some of the slopes at a washout section on the Barkers Crossing pond at a cost of \$500 per acre. After discussion, Director McGlaughlin made a motion to approve the overseeding at the Barkers Crossing pond. Said motion was seconded by Director Love and passed unanimously.

### **OPERATIONS AND MAINTENANCE REPORT**

Mr. Garcia presented the written operations report to the Board, a copy which is attached as **Exhibit E**. Mr. Garcia noted that there was a problem with a blower at Water Plant No. 1 which caused a breaker to trip but the problem has been corrected and everything seems to be working fine. He also noted that delivery of surface water from the West Harris County Regional Authority ("WHCRWA") had ceased unexpectedly causing the well pump to turn on but the problem was reported to WHCRWA and has been corrected. Mr. Garcia reported that the electrical panel at Lift Station No. 1 is experiencing problems and may need to be replaced. He stated that it usually costs between \$6,000-10,000 to replace and he will make a recommendation at the next meeting. He also mentioned that Director Richardson had contacted him about including information from WHCRWA in the water bill regarding water conservation. The Board concurred. Director Crane then asked about the new online payment website customer portals, and Mr. Garcia said it is just about finished and should be ready for Board review in March. Director McGlaughlin mentioned that he would like the Board to consider posting information on the back of water bills for communication with residents. Mr. Garcia then mentioned the new smart meter program from Accurate Meter. The Board asked to have a special meeting right before the next regular meeting to receive a presentation from Accurate Meter. There was no further action required at this time in connection with the operations report.

Ms. Wheeler exited the meeting at this time.

### **IT CONSULTANT REPORT**

Mr. Jeremy Roach presented the IT report and discussed updates to the District website and Director e-mails. The Board noted some additional changes they would like made to the website.

### **REVIEW CODE OF ETHICS AND RELATED POLICIES**

Mr. Roach asked that the Board defer on this item until some additional research can be completed on HB1295 and related ethics updates.

## **CONSIDER AND REVIEW ANNUAL SURVEY OF WAGE RATE SCALES**

Mr. Roach noted that the District currently utilizes the same wage rate scales for construction projects as the City of Houston but that the City has not produced the new scales for 2016. After discussion, Director Crane made a motion that the Board continue using the same wage rate scales as the City of Houston once they are finally published, and to adopt a Resolution accordingly. The motion was seconded by Director McGlaughlin and passed unanimously.

## **STATUS OF ARBITRAGE REPORTING AND COMPLIANCE**

Mr. Roach noted that the reporting had already been completed and this item would be removed from the agenda.

## **REVIEW INSURANCE PROPOSALS**

Mr. Roach noted that the District's current insurance policies are scheduled to expire on March 31, 2016. He then presented the only proposal received which is from Arthur J. Gallagher & Co ("AJ Gallagher"). The Board deferred a decision until the next meeting to see if any other proposals come in in addition to the AJ Gallagher proposal.

## **ATTORNEY'S REPORT**

Mr. Roach noted that the firm now has secured an agreement to provide for the ability to electronically record real property instruments in Harris and Montgomery Counties.

## **REVIEW 2016 DIRECTORS ELECTION CALENDAR AND RELATED MATTERS**

Mr. Roach gave an update on the upcoming dates for the 2016 Directors Election and advised regarding the status of ballot applications received to date. He advised that a notice of election will need to be posted and published per applicable statutory requirements, and the Board discussed options for additional notice to residents regarding the election.

## **ANNUAL DISTRICT UPDATE / NEWSLETTER**

Director Crane noted that he had sent out the draft newsletter to the rest of the Board for review and the only feedback he had received was a name correction. After discussion, Director McGlaughlin made a motion to publish the newsletter as a PDF on the District website. The motion was seconded by Director Love and passed unanimously.

## **ADDITIONAL COMMENTS FROM THE PUBLIC**

Mr. Tober noted that he would hope that the District can find someone to agree to be the election judge who lives near the entrance to a major road in the District for ease of access to the polls by the residents.

**EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTION 551.071, 551.074, ET. SEQ.**

The Board did not enter executive session.

**DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS**

The Board discussed a request from the Bakers Crossing Homeowners Association to consider some walking trail improvements around the detention pond. Director Crane noted that additional details were needed in order for the Board to consider the request. The Board then asked Director McGlaughlin to send a return email on behalf of the District asking for clarification of the request.

**ADJOURNMENT**

There being no further matters to come before the Board, Director McGlaughlin moved that the meeting be adjourned. The motion was seconded by Director Love and carried by unanimous vote, and the meeting was adjourned.

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Secretary,  
Board of Directors

LIST OF EXHIBITS

- Exhibit A Tax Assessor Collector Report
- Exhibit B Bookkeeper's report
- Exhibit C Engineer's report
- Exhibit D Champions Hydro-Lawn Report
- Exhibit E Operator's Report

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