

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

### Minutes of Meeting of Board of Directors January 24, 2017

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 January 24, 2017, 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  
Gary Nelson, Director

all of said persons were present, except Director Richardson, who arrived later in the meeting, and Director McGlaughlin thus constituting a quorum.

Also present were Cynthia Colondres of Municipal Accounts & Consulting, L.P. ("MA&C"); Jeff Vogler and Taylor Reed of Van De Wiele & Vogler, Inc., ("VVI"); Frank Garcia and Tracie Williams (late) of Gulf Utility Service, Inc. ("GUS"); Jonathan Roach, Frank Mitchell and Daniel Scruggs of Roach & Mitchell, PLLC ("RMPLLC"); Indira Faucher, President of Barkers Crossing Homeowners Association ("BCHOA"), residents 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 prior Board meeting held on January 6, 2017. Director Crane made a motion to approve the minutes. The motion was seconded by Director Nelson and passed unanimously.

#### PUBLIC COMMENTS

Mr. Tober mentioned he feels there is a problem with meter boxes being installed without proper foundations and certain residents accidentally driving over the meter boxes causing the water lines to break. The Board took no action at this time.

#### DISCUSSION REGARDING BARKERS CROSSING HOMEOWNERS ASSOCIATION POND TRAIL, INCLUDING REVIEW OF POSSIBLE MAINTENANCE AGREEMENT

Ms. Faucher addressed the Board regarding requested trail improvements at the Barkers

Crossing detention pond. After brief discussion, the Board asked RMPLLC to work with BCHOA to prepare a possible access and maintenance agreement.

### **BOOKKEEPER'S REPORT**

Mrs. Colondres next presented the Bookkeeper's Report, a copy of which is attached hereto as **Exhibit A**. Director Nelson inquired as to the interest rate on some of the District's investments. Mrs. Colondres noted some questions from Harris County Flood Control District ("HCFCD") regarding the prior maintenance agreement with the District, and Mr. Roach noted prior communications with HCFCD regarding same. After no further questions, Director Nelson moved to approve the Bookkeeper's Report including payment of the checks and invoices presented. Director Love seconded said motion, which carried unanimously.

### **RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS**

The Board deferred this item at this time.

### **STATUS OF CONTINUING DISCLOSURE REPORT AND OPTIONS FOR DISCLOSURE COUNSEL**

The Board deferred this item at this time.

### **STATUS OF ARBITRAGE COMPLIANCE**

The Board deferred this item at this time.

### **ENGINEER'S REPORT**

Mr. Vogler presented the Engineer's Report, a copy of which is attached hereto as **Exhibit B**. Mr. Vogler stated that he is still waiting on the District to obtain easements for the Dulaney Road and Morton Road water main extensions. Mr. Roach noted that there has been no response from the Homeowner Associations that are to grant the easements. Mr. Vogler stated that the Wastewater Treatment Plant ("WWTP") discharge permit renewal application notice had been published and VVI is awaiting a draft permit from the Texas Commission on Environmental Quality ("TCEQ"). Mr. Vogler then presented pay estimate #3 from Rust Busters Industrial Painting, Inc. for \$28,656 regarding the Water Plant No. 1 recoating project. Mr. Vogler then gave an update regarding the cleaning and televising projects for both Barkers Ridge Sections 4 and 5 and Oak Ridge Sections 1, 2 and 3. He stated that they had not found anything that would indicate broken pipes, but there was some grease buildup in the lines. Mr. Vogler stated that VVI will bring a cost estimate of some repairs and recommendations next month. He also stated that VVI is still awaiting a right of entry form from HCFCD to address the channel and detention pond silting issue. Director Love asked if pay estimate #3 for Rust Busters Industrial Painting, Inc. was the last pay estimate, and Mr. Vogler responded that there is still work occurring and more payments will be due. After brief discussion, Director Nelson moved to approve the Engineer's Report and pay estimate no. 3. Director Crane seconded said

motion, which passed unanimously.

### STATUS OF INTERLOCAL AGREEMENT WITH HCFC D FOR MOWING REIMBURSEMENT

Mr. Roach noted that RMPLLC is working with Mrs. Colondres to review the terms of the agreement and related reimbursement issues.

### STATUS OF MAINTENANCE BY CHAMPIONS

No Champions Hydro-Lawn representative was present and there was no report presented.

### OPERATIONS AND MAINTENANCE REPORT

Mr. Garcia presented the written Operations Report to the Board, a copy of which is attached as Exhibit C. Mr. Garcia presented some customer complaints and noted repairs made throughout the District. Director Nelson asked about a specific water main line repair, and Mr. Garcia addressed same. Mr. Garcia noted that there were no permit violations and no issues to report even with the heavy rain that occurred during the month. He then stated that some of the water quality testing procedures will need to be updated due to the District's use of surface water from the West Harris County Regional Water Authority. Mr. Garcia noted that a force main bypass had been completed at lift station no. 3 and that blower no. 3 repairs were still underway. Mr. Garcia then presented a photograph of a reported sinkhole in a resident's backyard. He stated that the sinkhole had been reported to Harris County Precinct 3 Commissioner's Office. Director Nelson then moved to approve the Operations and Maintenance Report, including the utility service termination list. Director Love seconded the motion, which passed unanimously.

### TAX ASSESSOR COLLECTOR REPORT

The Board deferred discussion on this item at this time and relied on the written report previously submitted by the tax assessor at the first Board meeting during the month, a copy of which is attached as Exhibit D.

### DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

The Board deferred this item at this time.

### RESOLUTION GRANTING EXEMPTIONS FROM TAXATION FOR 2017

The Board deferred this item at this time.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board deferred this item at this time.

ATTORNEY'S REPORT

Mr. Roach noted that there was a new 2017 Master Calendar posted for the Board's review. He also noted that an Action Item List had been prepared as previously discussed with the Board which had also been posted for review.

ANNUAL DISTRICT UPDATE/NEWSLETTER AND DIRECTOR REPORTS

Director Crane noted that the annual District status update had been completed and was posted on the District's website for residents to review, and he asked that this item be removed from the agenda.

ADDITIONAL COMMENTS FROM THE PUBLIC

There were no additional comments from the public.

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 did not discuss any pending business or matters for future agendas.

ADJOURNMENT

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



*Patricia Richardson*  
Secretary,  
Board of Directors

LIST OF EXHIBITS

- Exhibit A Bookkeeper's Report
- Exhibit B Engineer's Report
- Exhibit C Operator's Report
- Exhibit D Tax Assessor/Collector Report