

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

Minutes of Meeting of Board of Directors

April 23, 2019

The Board of Directors ("Board") of Harris County Municipal Utility District No. 238 ("District"), met at 17332 Groeschke Road, Houston, Texas, 77084, a designated meeting place of the District, 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:

Randy Love, President  
Gary Nelson, Vice President  
C.L. "Steve" Crane, Secretary  
Gary Tober, Assistant Secretary  
Ron Julun, Director

all of said persons were present thus constituting a quorum.

Also present were Cynthia Colondres of Municipal Accounts & Consulting, L.P. ("MA&C"); Taylor Reed of Van De Wiele & Vogler, Inc., ("VVI"); Michael Williams and Jeanette Montes of Gulf Utility Service, Inc. ("GUS"); Jonathan Roach and Joshua Zientek of Roach & Mitchell, PLLC ("RMPLLC"); Josh Fort of Champions Hydro-Lawn ("Champions"); Ray Arce of Wheeler & Associates, Inc. ("Wheeler"); Marcia Thomas (late) a representative from Barkers Ridge Homeowners Association ("BRHOA"); and Patricia Richardson and John Gibson, residents of the District.

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

**APPROVE MINUTES**

Director Nelson moved to approve the March 26, 2019, regular meeting minutes as presented. Director Julun seconded said motion, which carried unanimously.

**PUBLIC COMMENTS**

There were no public comments.

**TAX ASSESSOR/COLLECTOR REPORT**

Mr. Arce present the Tax Assessor/Collector Report to the Board, a copy of which is attached hereto as **Exhibit A**. Director Crane then moved to approve the Tax Assessor/Collector Report and the checks presented therein. Director Love seconded said motion which passed unanimously.

Ms. Thomas arrived during the Tax Assessor/Collector Report.

## DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

Mr. Roach reviewed the Delinquent Tax Collections Attorney Report and informed the Board that there were no delinquent tax collections related action items this month.

## RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

Mr. Roach advised that, pursuant to the Texas Property Tax Code, under certain conditions the District could impose an additional penalty up to 20% on delinquent real property taxes as of July 1st of each year and that the penalty is essentially to cover the costs of collections by the District's delinquent tax collections attorneys. After discussion, Director Nelson made a motion to adopt a Resolution authorizing an additional penalty to be imposed on delinquent real property taxes. The motion was seconded by Director Julun and passed unanimously.

## BOOKKEEPER'S REPORT

Ms. Colondres presented the Bookkeeper's Report, a copy of which is attached hereto as Exhibit B. Ms. Colondres discussed with the Board which Directors are scheduled to attend the summer Association of Water Board Directors ("AWBD") meeting. Director Nelson then made a motion to approve the Bookkeeper's Report, including payments of the checks presented. Director Love seconded said motion, which passed unanimously.

## ENGINEER'S REPORT

Mr. Reed presented the Engineer's Report, a copy of which is attached hereto as Exhibit C. He reported that VVI is preparing a pilot study protocol for submittal to the Texas Commission on Environmental Quality ("TCEQ") Alternative Treatment Group relating to the radium treatment/ion exchange improvements for Water Plant No. 1. He presented and the Board discussed a schedule for the duration for the project along with associated engineering costs once the pilot study protocol is approved by the TCEQ. He informed the Board that VVI has communicated with the TCEQ to attempt to expedite the approval process. Next, Mr. Reed gave an update on the radium treatment/ion exchange improvements for Water Plant No. 2. He informed the Board that VVI is awaiting information needed from the filtration manufacturer. Once received, the request for exception will be sent to the TCEQ Alternative Treatment Group for approval. He then reviewed a schedule for the duration for the project along with associated engineering costs. The Board discussed the time that the TCEQ will need to review the submittals, estimating approximately 100 days based on recent typical TCEQ review timelines. Next, the Board discussed testing the Water Plants during the summer and how this could affect test results, and Mr. Reed noted that testing results typically are reduced during the summer.

The Board then discussed the ground storage tank ("GST") cleaning at Water Plant No. 1. Mr. Williams recommended using an independent contractor who will be more cost effective and potentially have a better warranty. Lastly, Mr. Reed reported that the Morton Road Water Main Extension Project construction has not begun due to a delay caused by a scheduling conflict with the

contractor. He reported that construction is estimated to begin in May 2019.

### STATUS OF MAINTENANCE BY CHAMPIONS HYDRO

Mr. Fort presented the Champions Report to the Board, a copy of which is attached as Exhibit D. He informed the Board that the report indicates that the Barkers Crossing Detention Pond had not been mowed but, prior to the meeting, he went to the area and confirmed it was mowed since completion of the report. He also informed the Board that the mowing schedule for the area will commence for twice a month mowing during the months of April through September 2019. Mr. Roach then informed the Board that a request was received from Barkers Crossing Homeowners Association (“BCHOA”) regarding installing solar lighting around the walking trail. The Board concurred that there is no problem with installation of solar lighting around the walking trail as long as it does not interfere with mowing by Champions and BCHOA submits plans for the proposed lighting for the Board’s consideration before the lighting is installed. The Board further discussed where the lighting should be placed and concurred that it should be within three (3) feet of the trail on either side. Mr. Fort said that this will not cause interference with the mowing.

### OPERATIONS AND MAINTENANCE REPORT

Mr. Williams presented the written Operations and Maintenance Report to the Board, a copy which is attached as Exhibit E. Mr. Williams also reviewed three (3) District alerts which were reported and corrected appropriately. Next, Mr. Williams and the Board discussed extensively what occurs when residents call outside of normal business hours with a concern. Next, Mr. Williams reviewed the appeals received by GUS during the month. The Board specifically considered a request from the property owner of 3210 Clipper Winds Way who was asking for a payment plan. Director Crane moved to approve a six (6) month payment plan with a condition that if there is a late payment, the remaining amounts owed are accelerated and due immediately. The motion was seconded by Director Love and passed unanimously. Next, the Board reviewed a request by the property owner of 3515 Barkers Crossing Avenue to waive an \$80 administrative fee imposed on the account. After discussion, Director Crane moved, seconded by Director Julun, to authorize GUS to waive the \$80 administrative fee. The motion passed unanimously.

Next, Mr. Williams discussed the valve exercise maintenance project. He reminded the Board that it previously approved replacement of four (4) valves but, upon further investigation, three (3) did not need replacement. The Board thoroughly discussed the one (1) valve that needed replacement and the work associated therewith. Mr. Williams then reviewed the current status of the approved budget for the valve exercise maintenance project and requested that the Board approve an additional \$9,000 to finish the project. Director Tober moved, seconded by Director Crane, to approve the addition of \$9,000 to the valve exercise maintenance project to finish same. The motion passed unanimously.

Next, Mr. Williams advised that GUS conducted its annual review of possible identity theft issues within the District and informed the Board that there were no incidents of identity theft. He consequently recommended that no changes be made to the District’s identity theft policy.

Next, the Board thoroughly discussed the gross alpha maximum contaminant level public notice and the language that would be included in the notice. The Board requested certain changes, which Mr. Roach and Mr. Williams made to the final version. Director Love then moved to authorize GUS to distribute the public notice as discussed. The motion was seconded by Director Julun and passed unanimously.

Next, Mr. Williams discussed the repairs needed on the refrigeration unit or options for replacement of same. After discussion, Director Love moved to approve replacement not to exceed \$8,017. The motion was seconded by Director Tober and passed unanimously.

Next, the Board continued discussion from the Engineer's Report relating to cleaning of the GST. Mr. Reed presented an estimate from A&H Coating Services ("A&H") in the amount of \$5,400. After discussion, Director Nelson moved to approve the estimate from A&H for cleaning of the GST not to exceed \$5,400. The motion was seconded by Director Tober and passed unanimously. Lastly, Director Nelson moved to approve the Operation and Maintenance Report and approve the cut-off list. The motion was seconded by Director Tober and passed unanimously.

Mr. Arce exited the meeting during the Operation and Maintenance Report.

#### **DIRECTOR REPORTS**

Director Julun discussed an email received from the AWBD regarding Senate Bill 239 ("SB239") and inquired how SB239 could affect the District regarding meeting locations and recording requirements. Mr. Roach provided an update on SB239 and reported that RMPLLC is monitoring SB239 and other legislation which could affect the District. He further discussed Senate Bill 2 ("SB2") and House Bill 2 ("HB2"). Director Tober reported that he was unable to attend the West Harris County Regional Water Authority ("WHCRWA") meeting this month but he did attend the AWBD breakfast event and reported on same. The Board took no action at this time.

#### **DISCUSSION REGARDING OPTIONS FOR SOLID WASTE/RECYCLING COLLECTION**

Mr. Roach presented a letter prepared by RMPLLC for the Board President's signature which outlined the conditions of the District's potential involvement in the collective efforts with the homeowners associations ("HOAs") within the District related to solid waste/recycling collection. Director Tober, seconded by Director Julun, moved to authorize Director Love to sign the letter and authorize RMPLLC to send out the letter to the involved HOAs. Next, Mr. Roach informed the Board that an additional letter was prepared for BCHOA explaining how they could join in the agreement if they so desired.

#### **ATTORNEY'S REPORT**

Mr. Roach further reported on the status of current legislation that RMPLLC is monitoring including legislation related to the Texas Open Meetings Act ("TOMA") and informed the Board that RMPLLC will prepare a legislative update to present to the Board once the session is completed.

ADDITIONAL COMMENTS FROM THE PUBLIC

Ms. Richardson asked a question about the Bookkeeper's Report, and Ms. Colondres clarified the issue. Mr. Gibson then expressed several concerns relating to the District being involved in solid waste/recycling collection. The Board discussed how the District will handle its potential involvement.

Mr. Gibson exited the meeting at this time.

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 noted that the next meeting will be held on May 28, 2019.

ADJOURNMENT

There being no further matters to come before the Board, Director Crane, seconded by Director Love, moved to adjourn the meeting. The motion passed unanimously.

Approved by the Board on MAY 28, 2019.

[SEAL]



*[Handwritten Signature]*  
Assistant Secretary, Board of Director

LIST OF EXHIBITS

- Exhibit A Tax Assessors/Collector Report
- Exhibit B Bookkeeper's Report
- Exhibit C Engineer's Report
- Exhibit D Champions Report
- Exhibit E Operations and Maintenance Report