

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

### Minutes of Meeting of Board of Directors

May 28, 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, except for Directors Love and Crane who were absent, thus constituting a quorum.

Also present were Jennifer Abad 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"); Jerald Garcia, a representative from Barkers Ridge Homeowners Association ("BRHOA"); and Marcia Thomas, a resident of the District.

The Vice 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 April 23, 2019, regular meeting minutes as presented. Director Julun seconded said motion, which carried unanimously.

### PUBLIC COMMENTS

Mr. Garcia inquired as to a letter that was sent to the BRHOA concerning the District possibly coordinating the provision of solid waste/recycling collection services. The Board clarified the purpose of the letter and discussed the different management company/homeowners association representatives to whom the letter was sent.

### TAX ASSESSOR/COLLECTOR REPORT

Mr. Arce presented the Tax Assessor/Collector Report to the Board, a copy of which is attached hereto as Exhibit A. Director Nelson then moved to approve the Tax Assessor/Collector

Report and the checks presented therein. Director Tober seconded said motion which passed unanimously. Mr. Roach then reviewed the preliminary estimate of value for property within the District provided by Harris County Appraisal District.

### DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

Mr. Arce discussed a credit requested by a taxpayer for delinquent taxes but explained that the request does not meet the statutory criteria which would authorize issuance of the requested credit. The Board concurred that Wheeler respond to the taxpayer accordingly.

### BOOKKEEPER'S REPORT

Ms. Abad presented the Bookkeeper's Report, a copy of which is attached hereto as Exhibit B. Ms. Abad discussed with the Board which Directors are scheduled to attend the Association of Water Board Directors ("AWBD") annual conference. Additionally, the Board discussed some line items relating to engineering issues within the budget. Mr. Reed said that he would investigate further and report back. Director Nelson then made a motion to approve the Bookkeeper's Report, including payments of the checks presented. Director Tober 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. Mr. Reed provided an update on the Radium Treatment - Ion Exchange for both Water Plant Nos. 1 and 2, informing the Board that on Water Plant No. 1, he is waiting on Bob Johnson and Associates ("Johnson and Associates") to provide a pilot study overview and protocol for submission to the Texas Commission on Environment Quality ("TCEQ") and on Water Plant No. 2 he is still waiting for more information from Bob Johnson and Associates to send to the TCEQ for the exception request. He further informed the Board that once the request for exception is received, it will be sent to the TCEQ Alternate Treatment Group for approval.

Next, Mr. Reed discussed the Water Plant No. 2 recoating project and ground storage tank ("GST") clean-up at Water Plant No. 1. He informed the Board that the recoating project will be addressed in the fall of 2019 when weather will permit the project to move forward. He then informed the Board that A&H Services ("A&H") has been notified to begin work on cleaning the GST exterior. He said they plan to begin within three (3) weeks. He further explained that VVI is subcontracting this project and that payments will be made directly to VVI but as a straight pass-through to the subcontractor.

Next, Mr. Reed provided an update on the Morton Road Water Main Extension project. He informed the Board that construction is not yet underway and that there was a delay by the contractor due to a scheduling conflict, who now estimates construction to begin in June 2019.

He then informed the Board that there is no update on the GO Weiss permit and siltation issues, or the capital improvements plan ("CIP") at this time.

## STATUS OF MAINTENANCE BY CHAMPIONS HYDRO

Mr. Fort presented the Champions Report to the Board, a copy of which is attached as Exhibit D. Mr. Fort discussed the mowing schedule within the District, informing the Board that Champions will begin mowing north of Morton Road twice a month in June 2019 per the maintenance schedule. The Board extensively discussed a washout under the sidewalk located near the Harris County drainage channel. The Board requested that Champions continue to monitor the area and report back. The Board further reviewed photographs of maintenance performed by Champions and seeding that was performed within the District.

## 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 two (2) District alerts which were reported and corrected appropriately. Next, Mr. Williams informed the Board that the weir ring in lift station pump no. 2 needed repair but that the pump itself will also likely need to be repaired. He explained that it is not running efficiently, and, therefore, is being run more frequently. He provided an estimate for replacement of lift station pump no. 2 in the amount of \$16,933. Director Nelson moved, seconded by Director Tober, to authorize the replacement of lift station pump no. 2 in an amount not to exceed \$16,933. The motion passed unanimously. The Board then extensively discussed a customer appeal related to the cost of a door tag. The Board concurred with denying the appeal.

Next, Mr. Williams discussed the valve exercise update including various issues with the progress of the valve exercise project and specific incidents relating to specific valve repairs. He then reviewed with the Board the current cost-to-date for the project and requested an additional amount to continue the project not to exceed \$30,000. After discussion, Director Julun moved, seconded by Director Tober, to authorize the additional budget amount not to exceed \$30,000 for the valve exercise project. The motion passed unanimously. The Board then discussed Director Love's prior approval for GUS to replace a valve in the amount of \$7,332.36. Mr. Williams discussed the details of the replacement and urgent need for same since the last Board meeting. Director Tober then moved, seconded by Director Julun, to ratify Director Love's approval to replace the discussed valve in the amount of \$7,332.36. The motion passed unanimously. The Board then extensively discussed the Consumer Confidence Report ("CCR") and its contents. The Board concurred to remove the footnote on the CCR as it was presented. The Board next discussed the July disconnect date and corresponding 4<sup>th</sup> of July holiday, and then concurred to move the disconnect date to July 8, 2019. The Board then extensively discussed a resident's request that Mr. Williams test the water at her house on Ridge Scene Way because of her proximity to the discharge location for Water Plant No. 2. The Board discussed costs associated with individual tests. Mr. Reed said that the District previously conducted a water quality test from near her house, and he would forward those results to GUS for review. The Board concurred with providing the resident with the previous nearby test results and conducting another test near her house only if she would agree to be responsible for any costs associated with the additional test. Director Julun then moved, seconded by Director Tober, to approve the Operations and Maintenance Report, cut-off list, and CCR subject to final revisions by the District's consultants. The motion passed unanimously.

## DIRECTOR REPORTS

Director Tober presented an update from the West Harris County Regional Water Authority ("WHCRWA") meeting this month and the month prior, providing the Board with status updates of projects that are in progress. Next, he discussed an update from the City of Houston and provided information relating to agreements that the regional water authorities have with the City. Last, he informed the Board that WHCRWA will be appointing a new president as the prior president passed away recently.

## DISCUSSION REGARDING OPTIONS FOR SOLID WASTE/RECYCLING COLLECTION

Mr. Roach informed the Board that there were no additional updates at this time beyond what the Board discussed during public comments earlier in the meeting.

## ATTORNEY'S REPORT

Mr. Roach reported on the status of current legislation that RMPLLC is monitoring and informed the Board that RMPLLC will prepare a more extensive legislative update to present to the Board once the session is completed. Mr. Roach additionally discussed the possibility of the District adopting a resolution designating additional meeting places outside the District. After discussion, the Board concurred with not adopting the resolution at this time.

## 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 noted that the next meeting will be held on June 25, 2019.

## ADJOURNMENT

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

Approved by the Board on 06-26-2019.

[SEAL]



  
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