

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 238

### Minutes of Meeting of Board of Directors

March 28, 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, 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  
Patricia Richardson Vice President  
C.L. "Steve" Crane, Secretary  
Gary Nelson, Assistant Secretary  
Michael McGlaughlin, Director

all of said persons were present, 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"); Don Self, Traci Chapa, and Michael Williams of Gulf Utility Service, Inc. ("GUS"); Josh Fort of Champions Hydro-Lawn ("Champions"); Jonathan Roach, Frank Mitchell, Daniel Scruggs, and Shaila Shah of Roach & Mitchell, PLLC ("RMPLLC"); Cathy Wheeler of Wheeler & Associates, Inc. ("Wheeler"); 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 prior Board meeting held on February 28, 2017. After a lengthy discussion about various requested revisions, upon motion by Director Crane, seconded by Director Love the Board voted three-one-one (3-1-1) to approve the minutes of February 28, 2017, pending certain revisions as discussed, with Director Richardson opposed and Director McGlaughlin abstaining.

### PUBLIC COMMENTS

There were no public comments.

Director Love noted that he is currently reviewing the draft budget and will present his comments at the April meeting. The Board briefly discussed a budget and options for installation of smart meters in the District.

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

Mr. Roach stated that RMPLLC had drafted an agreement between the District and the Barkers Crossing Home Owner's Association ("BCHOA") with all the maintenance work to be completed by the BCHOA subject to a contribution from the District for same to the extent such work could be attributable to detention functions. Discussion ensued regarding the costs and maintenance of the existing bridge. The Board asked RMPLLC to solicit comments on the agreement from BCHOA. The Board took no action at this time.

## TAX ASSESSOR COLLECTOR REPORT

Ms. Wheeler presented the Tax Assessor Collector Report, a copy of which is attached as **Exhibit A**. Ms. Wheeler explained the "bad check charge" process, and the Board had no questions regarding the Tax Assessor Collector Report at this time. Ms. Wheeler stated that the appraisal district will be mailing property appraisals soon, and that if the Board is planning to protest their values, the appraisal district must receive notification by May 31, 2017. Upon further discussion and a motion by Director McGlaughlin, seconded by Director Love, the Board voted unanimously to accept the Tax Assessor Collector Report.

## DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

Ms. Wheeler then presented the Delinquent Tax Collections Attorney Report. She noted that she is waiting for some corrections from the appraisal district.

## STATUS OF ARBITRAGE COMPLIANCE REPORTING REQUIREMENTS

Mr. Roach presented two engagement letters from Arbitrage Compliance Services ("ACS") for review of the Series 2008 bond issuance and the Series 2012 bond issuance. Upon motion by Director McGlaughlin, seconded by Director Love, the Board voted unanimously to engage ACS for review of the Series 2008 and Series 2012 bond issuances.

## BOOKKEEPER'S REPORT

Mrs. Colondres next presented the Bookkeeper's Report, a copy of which is attached hereto as **Exhibit B**. Mrs. Colondres noted that the annual insurance payment was included and that the annual interest debt service payment will be made April 1, 2017. Ms. Colondres stated that the invoice for Mayde Creek Municipal Utility District ("Mayde Creek MUD") related to their drainage improvements was prepared and submitted to VVI for review. Ms. Colondres stated that today is the last day for early registration for the Association of Water Board Director's ("AWBD") Summer Conference. Upon further consideration and a motion by Director Love, seconded by Director McGlaughlin, the Board voted unanimously to approve the Bookkeeper's Report, including payment of the checks.

## AUTHORIZE DIRECTOR ATTENDANCE AT AWBD SUMMER CONFERENCE

This item was discussed in the bookkeeper's report.

## AUTHORIZE CONSULTANTS TO RESEARCH UNCLAIMED PROPERTY.

Mr. Roach stated that the District is required to research any unclaimed property related to water utility deposits, tax overpayments, and additional funds the District may be in custody of which will need to be reported and, in some cases, escheated to the State. He also advised that notice must be given by May 1, 2017 to any owners of unclaimed property valued over \$250. Upon motion by Director Love, seconded by Director Richardson, the Board voted unanimously to authorize the District's consultants to research any unclaimed property held the District and provide the necessary notice, as applicable.

## ENGINEER'S REPORT

Mr. Vogler presented the Engineer's Report, a copy of which is attached hereto as Exhibit C. 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. Vogler also stated that VVI received the draft waste discharge renewal permit from the Texas Commission on Environmental Quality ("TCEQ") and is waiting for authorization to publish the second (2<sup>nd</sup>) notice. Mr. Volger stated that after the notice is published, the final draft should be issued. Mr. Vogler then presented pay estimate no. 5 and final in the amount of \$12,850 for Rust Busters Industrial Painting, Inc. regarding the Water Plant No. 1 recoating project and noted that the project is complete. Mr. Vogler stated that the final walkthrough was held on March 23, 2017, and that the Certificate of Completion was prepared. Mr. Vogler then gave an update regarding the cleaning and televising projects for both Barkers Ridge Sections 4 and 5 and Oak Ridge Place Sections 1, 2 and 3. Mr. Vogler noted that the videos were reviewed and the estimated cost of the corresponding repairs will be approximately \$31,950 for all sections televised. He noted that VVI received the right of entry form from Harris County Flood Control District ("HCFCD") to address the channel and detention pond silting issue and that VVI prepared plans to submit to HCFCD. He also noted that VVI will coordinate with Champions on the design after the improvement plans are approved by HCFCD. Director Love reported that there is a washout in the District between the trail and a resident's house in Barkers Ridge near Appletree Hill Lane. Mr. Fort stated that he will inspect the area. Director McGlaughlin requested District maps be distributed to review the problem areas. Upon motion by Director Crane, seconded by Director Richardson, the Board voted unanimously to approve the Engineer's Report and the pay estimates listed within.

## STATUS OF MAINTENANCE BY CHAMPIONS

Mr. Fort presented the Maintenance Report to the Board, a copy of which is attached as Exhibit D. Mr. Fort stated that there are no major issues to report. Mr. Fort also noted that the wildflowers are growing and were not cut. Director Love requested some bluebonnet seeds be planted in future years.

## OPERATIONS AND MAINTENANCE REPORT

Mr. Self presented the written Operations Report to the Board, a copy which is attached as Exhibit E. Mr. Self noted repairs made throughout the District in the month of February. Mr. Self reported that two (2) water quality calls were made in February but there were no permit violations and no other operational issues to report this month. Mr. Self noted certain upcoming expenses at the Wastewater Treatment Plant and Water Plant No. 1. He requested approval to either repair or replace the pump at Water Plant No. 2. Discussion ensued regarding the options and the other repairs and replacements that have been completed recently. Upon motion by Director McGlaughlin, seconded by Director Crane, the Board voted unanimously to authorize GUS to replace the pump at Water Plant No. 2. Director Crane asked for an update on the status of the repair to the gate at the Lift Station. Mr. Self stated that the repair should be completed by the end of the week. Mr. Self noted that the contractors will also clean up the sleeves at the Lift Station. Mr. Self next advised that the bollard covers previously discussed by the Board are \$25 each and that they will need approximately 30 of them. Director Love stated that the Emergency Management Plan had been updated with additional information. Mr. Self noted that the Consumer Confidence Report is due to the residents by July 1, 2017 and that GUS will begin the draft. The Board requested that GUS include the report and additional information on the back of the water bill, if possible.

## ATTORNEY'S REPORT

Mr. Roach stated that RMPLLC is preparing a new Interlocal Agreement with HCFCD for mowing reimbursement to submit to Commissioners Court. Director Love discussed the costs involved, stating that he would like to explore options to make sure that the District is saving money. Mr. Roach next advised that he will provide updated information on new legislature affecting the District after the close of the 2017 Legislative Session. Mr. Roach noted that the contractual issue with Direct Energy had been resolved and that Direct Energy confirmed waiver of any early termination fees so the District does not owe any money for the termination of services.

## ADDITIONAL COMMENTS FROM THE PUBLIC

There were no additional comments.

## 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

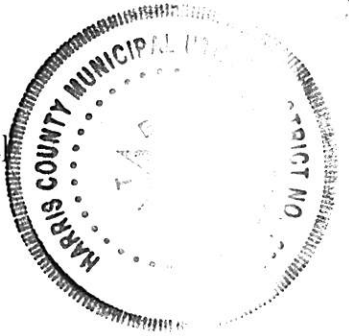
There were no additional matters discussed.

## ADJOURNMENT

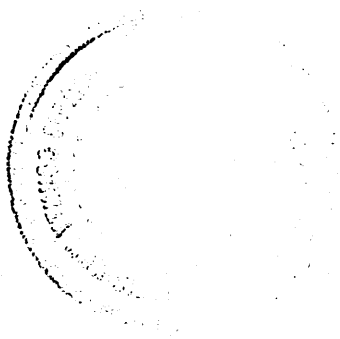
There being no further matters to come before the Board, Director McGlaughlin moved that

the meeting be adjourned. The motion was seconded by Director Love, and carried by unanimous vote, and the meeting was adjourned.

[SEAL]



  
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Secretary,  
Board of Directors



## LIST OF EXHIBITS

Exhibit A	Tax Assessor/Collector Report
Exhibit B	Bookkeeper Report
Exhibit C	Engineer Report
Exhibit D	Maintenance Report
Exhibit E	Operations Report