

MINUTES OF BOARD OF DIRECTORS MEETING
JUNE 18, 2019

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 109

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 109 (the "District") met in regular session, open to the public, at the Atascocita Fire Department, 18425 Timber Forest Dr., Humble, Texas 77346, at 6:00 p.m. on June 18, 2019, whereupon the roll was called of the members of the Board, to wit:

Owen H. Parker, President
Chris Green, Vice President
Cheryl Moore, Secretary
Robin Sulpizio, Assistant Secretary
Nancy Frank, Assistant Secretary

All members of the Board were present, except Director Moore, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Timishia Meese-Blackwell and Mr. Bill Bedell, District residents; Ms. B. Fayette Stewart, property owner in the District; Corporal Gamble, Deputy Serrano and Deputy Atkins of Harris County Precinct 4 Constable's Office; Mr. Tim Spencer of Ad Valorem Appraisals, tax assessor and collector for the District; Mr. Cory Burton of Municipal Accounts & Consulting, LP, bookkeeper for the District; Mr. Matt Froehlich and Mr. Ryan George of BGE, Inc. ("BGE"), engineer for the District; Mr. Clint Gehrke and Ms. Frayde Torres of Water Waste Water Management Services, Inc. ("WWWMS"), operator for the District; and Mr. Dimitri Millas and Ms. Brenda Presser of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

The President called the meeting to order in accordance with notice posted pursuant to law, copies of the Certificates of Posting are attached hereto as *Exhibit A*, and the following business was transacted:

1. **Minutes.** The Board considered the proposed minutes of the meeting held on May 21, 2019, previously distributed to the Board. Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting held on May 21, 2019, as amended.

2. **Public Comments.** President Parker recognized Ms. Stewart, who appealed to the Board regarding its previous decision for relief on a high usage bill during the month of April at 20206 Dawn Mist Court. She distributed a handout describing her issues and supporting documents, which are attached as *Exhibit B*. She requested that the Board issue a credit for the sewer portion of the bills during the period the sewer line was broken, January through April, 2019, waiver of all penalties, late charges and service call fee, and adjust the bill to 50% of the dollar amount above the average monthly bill for the previous six months or set up a payment plan. President Parker explained the District's protocol for addressing high usage bills and requests for adjustments in a fair and equitable manner pursuant to the terms of the District's Rate Order. He noted that the Board offers a payment plan and is unable to adjust the water costs on any bill. He stated that the District will not deviate from precedent already set. Ms. Stewart reviewed her argument and re-stated her requests. President Parker thanked Ms. Stewart and responded that the Board will take her argument under advisement and make a decision next month. Mr. Millas reported that the Board is charged with the responsibility to protect the public interest and cannot set a precedent to compromise the public

interest. He noted that it is the Board's discretion to make bill adjustments as described in the Rate Order. No action was taken by the Board.

3. **Security Report.** President Parker recognized Deputy Serrano, who reviewed the Security Report for the month of May 2019, which was previously distributed to the Board. A copy of the Security Report is attached hereto as *Exhibit C*.

4. **Tax Collector's Report and authorize payment of certain bills.** President Parker recognized Mr. Spencer, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of May 2019, a copy of which is attached hereto as *Exhibit C*. Mr. Spencer noted that 99.73% of the District's 2018 taxes had been collected as of May 31, 2019.

Mr. Spencer reviewed a summary of the District's tax roll information.

Upon motion by Director Sulpizio, seconded by Director Green, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report and to authorize payment of check numbers 1950 through 1951 from the Tax Account to the persons, in the amounts, and for the purposes listed therein.

5. **Review Bookkeeper's Report.** President Parker recognized Mr. Burton, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as *Exhibit E*. Mr. Burton reviewed disbursements from the General Operating Fund.

Upon motion by Director Sulpizio, seconded by Director Frank, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, to authorize payment of the checks in the amounts, to the persons, and for the purposes listed therein.

6. **Engineer's Report.** President Parker recognized Mr. George, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit F*.

Mr. George updated the Board on Water Plant No. 2 EST Rehabilitation and requested approval of Pay Estimate No. 4 for \$61,200.00.

Mr. George reported that the wall over the valves has been removed with the foundation remaining and the deadline to remove the remaining foundation is June 22, 2019. Mr. Millas reported the neighboring property owner has been notified about removing their fence, which obstructs the District's ability to access its lines for service and repairs. Discussion ensued and the Board requested that NRF transmit official notice by certified mail with return receipt requested.

Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Engineer's Report, to approve Pay Estimate No. 4 for \$61,200.00.

7. **Developer's Report.** There were no updates for the Board.

8. **Review Operations Report and authorize repairs.** President Parker recognized Mr. Gehrke, who presented the Operations Report dated June 18, 2019, the lift station flow report, and a list of delinquent accounts, copies of which are attached hereto as *Exhibit G*. Mr. Gehrke reported that 90% of the water pumped was billed for the period May 1, 2019 through May 31, 2019.

Mr. Gehrke reported there is a slow leak on a four-inch valve at 5603 Mossy Timbers. He stated the work will be scheduled and Boil Water Notice will be issued. He reported the water will be off four to six hours.

Upon motion by Director Green, seconded by Director Sulpizio, after full discussion and the question being put to the Board, the Board voted unanimously to: (1) approve the Operations Report; and (2) terminate service to delinquent accounts in accordance with the terms of the District's Rate Order.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and foregoing minutes were passed and approved by the Board of Directors on July 16, 2019.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

