

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 127 §

The Board of Directors of Harris County Municipal Utility District No. 127 met in regular session, open to the public, at its regular meeting place outside the boundaries of the District on October 11, 2018; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Bonnie Tyler	President
Maureen Herzog	Vice President
Katrina Ortega	Secretary
John R. Gagne	Assistant Secretary
Don Baylor	Director

All members of the Board of Directors were present except Director Baylor.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Stephanie Viator of District Data Services, Inc.; Vickey Sullivan of Equi Tax, Inc.; Dan Freeland and Chris Hoffman of H2O Consulting, Inc.; Robert Atkinson of Edminster, Hinshaw, Russ & Associates, Inc.; Karen Sears of StormWater Solutions; Scott Nguyen of La Sendera Development; and Bob Karl of Yellowstone Landscaping.

WHEREUPON, the meeting was called to order by the President and evidence was presented that public notice of the meeting was given in compliance with the law.

1. **PUBLIC HEARING FOR 2018 TAX RATE.** The Public Hearing on the 2018

Tax Rate was opened for comments. The Board noted that no taxpayer appeared to take part in the Public Hearing, as published by law. The Public Hearing was then closed.

2. **2018 DEBT TAX RATE.** The Board considered setting the 2018 debt service tax rate at \$0.40. The Order Setting 2018 Debt Tax Rate was presented for approval, a copy of which is attached as Exhibit "A".

Following further discussion, it was moved by Director Gagne and seconded by Director Ortega to approve setting a \$0.40 debt service tax rate, and that the Order Setting 2018 Debt Tax Rate be approved, which motion carried unanimously, 4-0.

3. **2018 MAINTENANCE TAX RATE.** The Board considered setting the 2018 maintenance tax rate at \$0.26. The Order Setting 2018 Maintenance Tax Rate was presented for approval, a copy of which is attached as Exhibit "B".

Following further discussion, it was moved by Director Gagne and seconded by Director Ortega to approve setting a \$0.26 maintenance tax rate, and that the Order Setting 2018 Maintenance Rate be approved, which motion carried unanimously, 4-0.

4. **AMENDMENT TO NOTICE TO SELLERS AND PURCHASERS.** Mr. Richardson presented the Amendment to Notice to Sellers and Purchasers of Real Estate Within the District, a copy of which is attached as Exhibit "C". He explained the Notice reflects the 2018 tax rate and will be filed in the Real Property Records of Harris County, Texas. It was moved by Director Herzog and seconded by Director Gagne that the Amendment to Notice to Sellers and Purchasers of Real Estate Within the District be approved, which motion carried unanimously, 4-0.

5. **PUBLIC COMMENTS.** Scott Nguyen of La Sendera addressed the Board regarding a sewer line easement. Robert Atkinson explained the sewer line for the project cannot be a public line. A La Sendera representative stated the City of Houston indicated it will not

approve plans with a private line, and the development will have a 140-foot line. Mr. Atkinson suggested the developer find another solution. He noted the developer does have permission to be in the pipeline easement. Mr. Atkinson discussed the placement of a manhole in the right-of-way, as part of a possible solution.

Bob Karl of Yellowstone Landscaping addressed the Board.

6. **SECURITY ISSUES.** There were no security issues presented at this time.

7. **MINUTES OF MEETING.** The next item to come before the Board of Directors was the review and approval of the minutes of the meeting of September 13, 2018.

Following a discussion, it was moved by Director Herzog and seconded by Director Ortega that the minutes of the meeting of September 13, 2018 be approved, which motion carried unanimously, 4-0.

8. **BOOKKEEPER'S REPORT.** Stephanie Viator presented the bookkeeper's report of certain expenses, the budget comparison for the period ending September 30, 2018, and the Quarterly Investment Report, copies of which are attached as Exhibits "D" and "E", respectively. Ms. Viator presented the checks for approval, and reviewed the fund balances and the budget to actual comparison through September.

Following discussion by the Board, it was moved by Director Tyler and seconded by Director Ortega that the bookkeeper's report, including the list of expenses be approved, and that the Quarterly Investment Report be approved. Said motion carried unanimously, 4-0.

9. **TAX ASSESSOR REPORT.** Vickey Sullivan reviewed the tax report for the month of September, a copy of which is attached as Exhibit "F". The report reflected the District has collected 99.2% of its 2017 taxes and 99.7% of its 2016 taxes as of September 30, 2018.

Following further discussion, it was moved by Director Tyler and seconded by Director Herzog that the tax assessor/collector's report be approved, and that the checks listed on the report be approved for payment, which motion carried unanimously, 4-0.

10. **OPERATOR'S REPORT.** Dan Freeland presented the monthly operations report for the month of August, a copy of which is attached as Exhibit "G". The District has 1,807 connections, with 91% water accountability. Mr. Freeland reported the Wastewater Treatment Plant was in compliance with its permit.

Mr. Freeland discussed a letter from a resident requesting the District repair a water hole. Mr. Freeland stated it is not a sinkhole and it is not the District's responsibility. The Board did not take any action at this time.

Mr. Freeland next discussed the pump at Lift Station No. 1. He presented a proposal from NTS, which indicates it will cost \$5,583 to repair the pump or \$10,655 to replace the pump. The Board agreed to repair the pump.

Mr. Freeland presented the amendment to the Operating Contract for execution, a copy of which is attached as Exhibit "H". He noted the Board approved the amendment to the Operating Contract at the last meeting.

Following further discussion, it was moved by Director Tyler and seconded by Director Ortega that the operator's report be approved, and to approve repairing the pump at Lift Station No. 1, which motion carried unanimously, 4-0.

11. **AMENDMENT TO DISTRICT RATE ORDER.** The Board considered amending the District Rate Order, a copy of which is attached as Exhibit "I". Mr. Freeland explained the amendment increases the water tap fee from \$1,000 to \$1,575, and increases the recycling fee by \$0.92.

Director Herzog explained the Board's agreement to the recycling fee increase called for a "re-education" campaign regarding recycling. She received a flyer from WCA Waste related to the re-education campaign. Director Herzog stated she would like to receive more information to educate the residents concerning recycling.

12. **ENGINEER'S REPORT.** Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "J". He discussed the Stormwater Quality Permit Renewal. Mr. Atkinson informed the Board Stormwater Solutions is requesting a letter designating them as the agent for the renewal of four permits, Brenwood Trails Section One, and Brenwood Sections One, Seven and Eight. He stated the permits need to be renewed on an annual basis.

Mr. Atkinson next discussed the Adelaide Development construction. Mr. Atkinson presented for approval Pay Request No. 7, in the amount of \$21,850.00, for the detention. He stated the developer will pay the contractor and be reimbursed at a later date.

Mr. Atkinson presented for approval Pay Request Nos. 4 and 5, in the amounts of \$4,009.50 and \$1,415.50, for construction materials testing. He also presented for approval Pay Request No. 5, in the amount of \$214,343.00, for water, sewer and drainage in Section One.

Mr. Atkinson next presented for approval Pay Request Nos. 1 and 2, in the amounts of \$38,808.00 and \$34,065.00, for Lift Station No. 1. He also presented for approval Pay Request No. 1, in the amount of \$1,169.00, for construction materials testing.

Mr. Atkinson presented for approval a mowing bid form for mowing within the District. He stated they received four bids. He informed the Board he will verify Price Wagner's low bid. The Board tabled this item.

Mr. Atkinson reported they will open the bids for the recoating of the Water Plant on October 1, 2018. He requested authorization to advertise for the rehabilitation of the Lift Station at the Wastewater Treatment Plant.

Following further discussion, it was moved by Director Herzog and seconded by Director Tyler that the engineer's report be approved, to approve and authorize execution of the letter to Stormwater Solutions designating them as the agent for the renewal of four permits, that Pay Request No. 7 for detention in the Adelaide Development be approved, that Pay Request Nos. 4 and 5 for the construction materials testing and Pay Request No. 5 for the water, sewer and drainage in Adelaide Subdivision, Section One be approved, that Pay Request Nos. 1 and 2 for Lift Station No. 1 and Pay Request No. 1 for the construction materials testing be approved, and to authorize the engineer to advertise for bids for the Lift Station at the Wastewater Treatment Plant, which motion carried unanimously, 4-0.

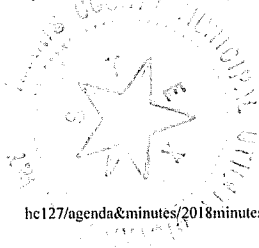
13. **DISTRICT WEBSITE.** Director Herzog reported the District website, with Off Cinco, looks good. It has been online for three weeks.

14. **ADJOURNMENT.** There being no further business, it was moved, seconded, and unanimously carried, that the meeting be adjourned.

PASSED, ADOPTED and APPROVED this 8th day of November, 2018.


Secretary

(DISTRICT SEAL)



hc127/agenda&minutes/2018minutes/2018.10.11