

**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 April 11, 2019; 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
Don Baylor	Director
Simona Brooks	Director

All members of the Board of Directors were present.

Also present were Chris Richardson, attorney, of Strawn & Richardson, P.C.; Stephanie Viator of District Data Services, Inc.; Vickey Sullivan of Equi Tax, Inc.; Dan Freeland of H<sub>2</sub>O Consulting, Inc.; Robert Atkinson of Edminster, Hinshaw, Russ & Associates, Inc.; Mark Eyring of Roth & Eyring, PLLC; and Kate Zamora District resident.

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. **ELECTION OF OFFICERS.** The Board did not take any action.
2. **DISCUSSION OF REGULAR MEETING DATE AND TIME.** The Board tabled this item.

3. **PUBLIC COMMENTS.** There were no public comments at this time.

4. **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 March 7, 2019.

Following a discussion, it was moved by Director Herzog and seconded by Director Baylor that the minutes of the meeting of March 7, 2019 be approved, which motion carried unanimously, 5-0.

5. **AUDIT REPORTS FOR FISCAL YEAR ENDED DECEMBER 31, 2018.** Mark Eyring presented the District Audit Report and the Joint Facilities Audit Report for the fiscal year ended December 31, 2018. Mr. Eyring also presented and discussed the management letter.

Following further discussion, it was moved by Director Tyler and seconded by Director Herzog that the District Audit Report and the Joint Facilities Audit Report for the fiscal year ended December 31, 2018 be approved, which motion carried unanimously, 5-0.

6. **BOOKKEEPER'S REPORT.** Stephanie Viator presented the bookkeeper's report of certain expenses, the budget comparison for the period ending March 31, 2019, and the Quarterly Investment Report, copies of which are attached as Exhibits "A" and "B". Ms. Viator presented the checks for approval, and reviewed the fund balances and the budget to actual comparison through March.

Following discussion by the Board, it was moved by Director Ortega and seconded by Director Herzog that the bookkeeper's report, including the list of expenses be approved and that the quarterly Investment Report be approved. Said motion carried unanimously, 5-0.

7. **TAX ASSESSOR REPORT.** Vickey Sullivan reviewed the tax report for the month of March, a copy of which is attached as Exhibit "C". The report reflected the District has collected 97.3% of its 2018 taxes and 99.7% of its 2017 taxes as of March 31, 2019.

Following further discussion, it was moved by Director Ortega and seconded by Director Tyler 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, 5-0.

8. **OPERATOR'S REPORT.** Dan Freeland presented the monthly operations report for the month of February, a copy of which is attached as Exhibit "D". The District has 1,809 connections, with 92% water accountability. Mr. Freeland reported the Wastewater Treatment Plant was in compliance with its permit.

Director Herzog asked about the tap fees and deposits. Ms. Viator explained \$1,875 is the total per house. Mr. Atkinson added that the Adelaide development deposits will total \$1.5 million of the District's revenue.

Mr. Freeland next presented the write-off list and water termination list for approval.

Following further discussion, it was moved by Director Herzog and seconded by Director Tyler that the operator's report be approved, and to approve the write-off list and the cut-off list, which motion carried unanimously, 5-0.

9. **REVIEW OF IDENTITY THEFT POLICY.** Mr. Richardson presented an Order for Reviewing and Confirming the District's Identity Theft Policy, a copy of which is attached as Exhibit "E". Mr. Freeland presented the annual report and discussed the policy and recommended no changes be made to the policy.

Following discussion by the Board it was moved by Director Tyler and seconded by Director Ortega to confirm the District's Identity Theft Policy, which motion passed unanimously, 5-0.

10. **REVIEW EMERGENCY PREPAREDNESS PLAN.** Mr. Richardson presented for approval the Order Reviewing Emergency Preparedness Plan and Authorizing Submittal of Critical Load Information, a copy of which is attached as Exhibit "F". Mr.

Richardson recommended the Board authorize the operator to update the critical load information with its electrical transmission and retail providers.

Following further discussion, it was moved by Director Tyler and seconded by Director Baylor that the Order Reviewing Emergency Preparedness Plan be approved, and to authorize the operator to update the critical load information with its electrical transmission and retail providers, which motion carried unanimously, 5-0.

**11. REVIEW AND CONFIRMATION OF DROUGHT CONTINGENCY PLAN.**

Mr. Richardson informed the Board, pursuant to TCEQ rules, the District's Drought Contingency Plan needs to be reviewed and confirmed. A motion was made by Director Baylor, seconded by Director Ortega and unanimously carried to approve the Resolution Reviewing and Confirming Drought Contingency Plan, a copy of which is attached as Exhibit "G".

**12. ENGINEER'S REPORT.** Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "H". He discussed the status of the Adelaide Development. Mr. Atkinson presented for approval Pay Request No. 6, in the amount of \$42,601.17 for water, sewer and drainage in Adelaide, Section One. He stated the developer will pay the contractor and be reimbursed by the District at a later date.

Mr. Atkinson presented for approval Pay Request No. 7, in the amount of \$94,383.00 for Lift Station No. 1. He stated the developer will pay the contractor and be reimbursed by the District at a later date.

Mr. Atkinson next presented for approval Pay Request No. 1, in the amount of \$868,005.50, for the water, sewer and drainage in Adelaide, Section Two.

Mr. Atkinson presented the updated developer reimbursement schedule for the Board's review.

Mr. Atkinson presented bids for the Lift Station project at the Wastewater Treatment

Plant. He recommended awarding the contract to the low bidder, Rally Construction, Inc., for a contract amount of \$294,000.00.

Mr. Atkinson reported the annexation application for the Adelaide development has been prepared and the attorney is completing documents from the developer. He stated they are preparing to submit the application to the City of Houston.

Following further discussion, it was moved by Director Herzog and seconded by Director Baylor that the engineer's report be approved, to approve Pay Request No. 6 for the water, sewer and drainage in Adelaide, Section One, to approve Pay Request No. 7 for Lift Station No. 1, to approve Pay Request No. 1 for the water, sewer and drainage in Adelaide, Section Two, and to award the contract of the Lift Station project at the Wastewater Treatment Plant to Rally Construction, Inc., which motion carried unanimously, 5-0.

13. **DISTRICT WEBSITE.** There was nothing to report at this time.

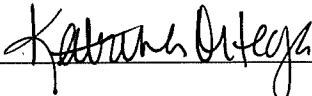
14. **OTHER ITEMS.** Director Baylor discussed the speeding issues on his street. He stated he is concerned with speeding in the neighborhood and he would like speed bumps installed on his street.

The Board discussed holding a possible Town Hall meeting in July or August.

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

*PASSED, ADOPTED and APPROVED* this 9th day of May, 2019.



  
Secretary