

MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 102
HARRIS COUNTY, TEXAS

26 November 2018

THE STATE OF TEXAS
COUNTY OF HARRIS

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 102 (the "District") of Harris County, Texas, met in regular session, open to the public, on the 26th day of November, 2018, at the regular meeting place thereof, at 15300 Falmouth, Harris County, Texas, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Randal W. Ward	President
Douglas Jordan	Vice President
Jason A. Iken	Secretary and Assistant Treasurer
Robert Moorman	Treasurer, Assistant Secretary, and Investment Officer
Richard Barbour	Assistant Secretary

and all of said persons were present with the exception of Director Ward, thus constituting a quorum.

Also present were: Amy Symmank of Myrtle Cruz, Inc. the District's Bookkeeper; Cathy Brittain-Drew of Assessments of the Southwest, Inc. ("Assessments"), the District's Tax Assessor/Collector; Dana Hollingsworth of Municipal District Services, L.L.C. ("MDS"), the District's Operator; Mike Kurzy, P.E., of AEI Engineering, L.L.C. ("AEI"), the District's Engineer; Felix DeLeon and Aaron Rude representing Waste Corporation of Texas, L.P. ("WCA"), the District's Solid Waste Collector; Curtis Brown of Residential Recycling & Refuse of Texas ("Residential Recycling"); Matthew May representing Best Trash, LLC ("Best Trash"); Deputy T. Craze of the Harris County Sheriff's Department (the "Sheriff's Department"); Antravian Carter, representing the ACA Dance Centre (the "Dance Centre"); and Dick Yale, Will Yale, and David Green of Coats Rose, P.C. ("Coats Rose"), the District's Attorney.

Director Jordan called the meeting to order.

Public Comments

The Vice President recognized Mr. Carter, who addressed the Board regarding the service account for the Dance Centre (the "Service Account"). Mr. Carter stated to the Board that on 12 October 2018 the water service to the Dance Centre had been terminated and a \$500 locked meter fee (the "Fee") had been charged to the Service

Account. Ms. Hollingsworth discussed with the Board the recent history of the Service Account. She noted that as of 12 October 2018 the arrears on the Service Account had been paid except for the Fee, which was being disputed by Mr. Carter. Mr. Carter stated to the Board that no individuals associated with the Dance Centre had tampered with the water meter. Ms. Hollingsworth then stated that the District's Operator had informed Mr. Carter at the time that the Fee was suspended pending the full investigation of the matter by the District's Operator. After further discussion, Ms. Hollingsworth stated that the District's Operator would remove the Fee from the Service Account if so authorized by the Board. After discussion, the Board authorized the District's Operator to remove the Fee from the Service Account.

Flags in Esplanade

Then the Board discussed the condition of the flags located in the esplanade on West Little York Road at Allerton Street (the "Flags"). Director Barbour reported that a resident of the District had informed the Colonies Recreation Property Owners Association (the "Association") that the Flags were in poor condition and needed to be replaced. He inquired as to whether the replacement of the Flags was within the District's jurisdiction. Director Jordan expressed his view that the District could proceed with the replacement of the Flags at this time and then seek reimbursement from the Association if in fact the Association was found to be responsible for the Flags. Ms. Hollingsworth stated that the District's Operator could replace the Flags and also inspect the flagpole mechanism and lights (the "Inspection"). After discussion, the Board directed the District's Operator to proceed with the replacement of the Flags and the Inspection. Attached hereto as an exhibit to these minutes is an electronic mail message from Director Barbour regarding the Flags.

Approval of Minutes

The Board next considered approval of the minutes of the meeting of 22 October 2018. Director Iken requested revisions to page 2 of the minutes. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of 22 October 2018, as amended.

Security Patrol Report

Deputy Craze addressed the Board regarding security related issues. He reviewed with the Board the Security Patrol Report for October 2018 as prepared by the Sheriff's Department. After review, the Directors directed the District's Attorney to attach a copy of the Security Report to these minutes.

Solid Waste Collection Service

Next, the Directors discussed matters relating to the solid waste collection service (the "Service") being provided in the District by WCA. Mr. Will Yale distributed to the Board copies of the Monthly Customer Issue Listing for the Service for October

2018 as prepared by WCA. Mr. DeLeon then answered questions from the Board regarding the Service. After review, the Board directed the District's Attorney to attach a copy of the Monthly Customer Issue Listing to these minutes.

Contract for Solid Waste Collection Service

The Board then discussed matters relating to the Residential Solid Waste Collection Contract between the District and WCA (the "Contract"). Mr. Yale noted that the current term of the Contract would expire on 30 April 2019. He then informed the Board that representatives of Best Trash and Residential Recycling were in attendance at this meeting to give presentations regarding their respective companies. Mr. May and Mr. Brown then addressed the Directors in turn regarding their respective companies and responded to questions from the Board. They provided the Directors with informational materials relating to Best Trash and Residential Recycling, copies of which are attached hereto as exhibits to these minutes. A discussion ensued regarding the collection of storm debris following a severe weather event (the "Storm Debris Collection"). Mr. Yale explained to Mr. May and Mr. Brown that the Board was interested in having potential vendors for the Service present a form contract for the Storm Debris Collection that would be separate from and in addition to the Contract. Mr. May and Mr. Brown then departed from the meeting. Then Mr. DeLeon informed the Directors that WCA desired to give a presentation at the next meeting of the Board.

Tax Assessor/Collector's Report

Ms. Brittain-Drew distributed the Tax Assessor/Collector's Report for the month of October 2018, a copy of which is attached hereto as an exhibit to these minutes. She stated that as of 31 October 2018, the District's 2017 tax levy was 99.1% collected and the 2018 tax levy was 0.58% collected. She noted that the District's Tax Account had a balance of \$58,462.12 as of the end of this reporting period (31 October 2018). After deducting the disbursements for payment at today's meeting and adding collections received to date, she added, the District's Tax Account ends with a balance of \$126,001.27. She noted that Assessments was requesting approval for four checks written on the District's tax account, as well as a transfer by wire of \$13,795.53 in revenues from the tax for maintenance and operations to the District's Operating Fund.

The Board then reviewed the Unpaid Accounts Report dated 20 November 2018, a copy of which is included in the Tax Assessor/Collector's Report. Then, after review, upon a motion duly made and seconded, the Board voted unanimously to: (1) accept the Tax Assessor/Collector's Report; and (2) authorize payment of the checks listed therein.

Operator's Report

Next, Ms. Hollingsworth distributed the Operator's Report prepared by MDS for the month of October 2018. She reviewed the Water Production portion of the Operator's Report in detail. Ms. Hollingsworth reported that the District had produced

5,777,000 gallons of water and had purchased 21,794,000 gallons of water from the West Harris County Regional Water Authority (the "Authority") during the period ending 19 October 2018, with an accountability rate of 99.0%. She reported that the District had provided 5,448,000 gallons of water to Harris County Municipal Utility District No. 250 during the reporting period. The District currently has 3,015 active service connections, she told the Board. Then Ms. Hollingsworth reviewed the Wastewater Treatment portion of the Operator's Report. She noted that the District's Wastewater Treatment Plant (the "Plant") operated at 41.2% of design capacity during the October 2018 reporting period, with an average daily flow of 536,000 gallons per day ("gpd").

Ms. Hollingsworth reviewed and discussed with the Board the repairs and maintenance performed on the District's water distribution system and wastewater collection system, as listed in the Operator's Report. She reviewed with the Board the Preventive Maintenance Log for the District's facilities, a copy of which is included with the Operator's Report. The Board then reviewed (1) charts depicting the monthly groundwater pumpage from the District's active water wells during the period of 1 January 2015 to October 2018; and (2) charts depicting the influent and effluent testing results for October 2018 at the Plant, copies of which are included with the Operator's Report.

After review, upon a motion duly made and seconded, the Board voted unanimously to accept the Operator's Report, a copy of which is attached hereto and shall be considered to be a part of these minutes.

Wastewater Treatment Plant / Permit Excursions

Ms. Hollingsworth next reported that grab samples taken from the Plant effluent on 12, 30, and 31 October 2018 had E. Coli counts of that exceeded the permitted limit of 197 colony forming units per milliliter. She reviewed with the Board the Noncompliance Notifications that were filed by the District's Operator in connection with the permit excursions, copies of which are included with the Operator's Report. Ms. Hollingsworth stated that the excursions were related to the use of the temporary effluent disinfection system at the Plant. A discussion ensued regarding the disinfection system at the Plant. Ms. Hollingsworth called the Board's attention to photographs of the new chlorine contact chambers at the Plant that are under construction. Copies of the photographs are included with the Operator's Report.

District Facilities / Electrical and Infra-red Surveys

The Board then discussed the status of the electrical surge suppression devices at the District's facilities. Ms. Hollingsworth reported that Neil Technical Services, Corp. ("NTS") had completed the electrical and infra-red surveys at all of the District's facilities (the "Surveys"). She noted that the results from the Surveys had been forwarded to the District's Engineer for review. Ms. Hollingsworth stated that the District's Operator had removed Water Well No. 2 from service pending further investigation of the pump motor (the "Pump Motor"). The data from the Surveys indicated that the Pump Motor was

megging high, she told the Board. Ms. Hollingsworth then distributed to the Board copies of the Electrical Preventive Maintenance Report (the "Electrical PM Report") as prepared by NTS. A copy of the Electrical PM Report is attached hereto as an exhibit to these minutes.

Termination of Service

Consideration was then given to the termination of water and sewer service to certain delinquent accounts. The Vice President recognized Ms. Hollingsworth, who advised the Board that the requisite notifications had been given to each customer and that each customer was advised of the date, time, and place of the Board meeting which they could attend to discuss termination of service. The Board noted that there were no customers present to protest the utility billings. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate the water and sewer service to those accounts listed on the termination list, attached hereto.

Customer Write-Off Report

Ms. Hollingsworth reviewed with the Board the Customer Write-Off Report dated 29 October 2018 as prepared by the District's Operator. A copy of the Customer Write-Off Report is included with the Operations Report. The Directors noted that there were three delinquent service accounts in the total amount of \$219.44 that would be written off and turned over to a collection agency. After review, upon a motion duly made and seconded, the Board voted unanimously to write-off the delinquent utility service accounts and direct the District's Operator to engage a collection agency to pursue collection of the amounts owed to the District by the delinquent utility service accounts listed in the Customer Write-Off Report.

Engineer's Report

Mr. Kurzy presented the Engineer's Report for the Board's review. A copy of the Engineer's Report is attached hereto as an exhibit to these minutes.

Maintenance of Detention Ponds

Next, the Directors discussed matters relating to the maintenance (the "Detention Pond Maintenance") of the detention ponds (the "Detention Ponds") serving Waldron Estates Subdivision and Concord Colony Subdivision, Section 2, by Storm Water Solutions, L.P. (called "SWS"). Mr. Kurzy submitted to and reviewed with the Board the Inspection Report for the Detention Pond Maintenance for November 2018 as prepared by AEI, a copy of which is attached hereto as an exhibit to these minutes. He pointed out to the Board that SWS had quoted a price of \$950 to clean the pilot channel in the Concord Colony Detention Pond and a price of \$4,560 to repair the erosion in the Waldron Estates Detention Pond.

Mr. Kurzy then informed the Board that SWS had submitted a Pay Estimate in the amount of \$225.37 for Detention Pond Maintenance performed during October 2018. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize payment of the Pay Estimate.

Water Plant No. 1 / 10,000-Gallon South Hydropneumatic Tank

The Board next discussed the condition of the 10,000-gallon south hydropneumatic tank (the "South HPT") at Water Plant No. 1. Mr. Kurzy reported that the bacteriological testing on the South HPT was complete and accordingly the South HPT had been returned to service.

Federal Emergency Management Agency / Flood Mitigation Projects

Mr. Kurzy reported that the District's Engineer was continuing to coordinate with the Federal Emergency Management Agency ("FEMA") and the District's Operator with regard to the District's requests for funding of flood mitigation projects relating to (1) the Water Well No. 4 site; (2) Lift Station No. 2; (3) the on-site Lift Station at the Plant; and (4) the pumps for the non-potable water system at the Plant (collectively, the "Mitigation Projects"). He reviewed with the Board the status of the proposals for the Mitigation Projects, as follows:

- Water Well No. 4 site: AEI completed the revisions for the estimate for mitigation and submitted same to FEMA.
- Lift Station No. 2: AEI completed the revisions for the estimate for mitigation and submitted same to FEMA.
- On-site Lift Station at the Plant: AEI determined that the on-site Lift Station does not meet current regulations, and accordingly AEI will seek funding for the replacement of the facility. AEI is reworking the estimate to submit to FEMA.
- Close out of Tax Day Flooding Projects: FEMA requested that AEI close out the projects from the major flooding event that occurred on 18 April 2016. AEI completed the documentation relating to Water Well No. 4, the ultraviolet disinfection system at the Plant, and Lift Station No. 2.

Sanitary Sewer Overflow Initiative

Next, Mr. Kurzy reported on the status of the District's participation in the Sanitary Sewer Overflow Initiative (the "SSO Initiative") being promulgated by the Texas Commission on Environmental Quality (the "Commission"). He submitted to and reviewed with the Board a memorandum dated 21 November 2018 from the District's Engineer regarding the status of the SSO Initiative Action Plan. A copy of the memorandum is attached hereto as an exhibit to these minutes.

Area B – Phase II Sanitary Sewer Televised Inspection and Evaluation

The Board discussed matters relating to the 10-year televised inspection and evaluation of sanitary sewer lines in Area B – Phase II (the "Area B Inspection") as performed by Magna-Flow Environmental, Inc. ("Magna-Flow"). Mr. Kurzy reported that Magna-Flow had submitted Pay Estimate No. 1 and FINAL in the amount of \$46,789.14 in connection with the Area B Inspection. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize payment of Pay Estimate No. 1 and FINAL for the Area B Inspection. A copy of Pay Estimate No. 1 and FINAL is attached hereto as an exhibit to these minutes.

Mr. Kurzy submitted for the Board's review and approval the Certificate of Completion and the Certificate of Acceptance for the Area B Inspection project. Mr. Kurzy pointed out to the Board that the one-year warranty period commenced on 6 November 2018 and would conclude on 6 November 2019. After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) approve the Certificate of Completion; and (2) accept the Area B Inspection project and authorize execution of the Certificate of Acceptance for same. Copies of the Certificate of Completion and the executed Certificate of Acceptance are attached hereto.

Mr. Kurzy then reported the Duke's Root Control had completed the application of Razorooter II herbicide to certain sanitary sewer lines in Area A and Area B of the District's wastewater collection system.

Water Well Performance Testing

Mr. Kurzy next reviewed with the Board the Performance Testing Reports (the "Testing Reports") as prepared by G-M Services in connection with testing conducted in October 2018 of the District's Water Well Nos. 1, 4, and 6 (the "Wells"). Copies of the Performance Testing Reports are included with the Engineer's Report. Mr. Kurzy remarked that the Wells appeared to be operating in satisfactory condition at the time they were tested. However, he continued, the Testing Reports indicated that the water tables for each of the Wells had declined since April 2017. Mr. Kurzy remarked that Well No. 1 had lost 71 gallons per minute ("gpm") of pumping capacity since April 2017 and the water table had declined by 29 feet. He added that the specific capacity for Well No. 1 had not changed significantly. Mr. Kurzy then stated that Well No. 4 had lost 59 gpm of pumping capacity since April 2017 and the water table had declined by 31 feet. He noted that the specific capacity for Well No. 4 had not changed significantly. Then Mr. Kurzy reported that Well No. 6 had lost 147 gpm of pumping capacity since April 2017 and the water table had declined by 78 feet. He commented that the specific capacity of Water Well No. 6 had increased slightly. Mr. Kurzy stated that the District's Engineer would continue to monitor the pumping capacity and water tables for the Wells.

Telecommunication Systems at District Facilities

Mr. Kurzy provided for the Board a brief description and history of the various telecommunication systems used at the District's facilities, as follows:

- Point to Point: This is a single pair line that is used to communicate between water plants. It is not an active phone line of AT&T because it only connects to devices at the water plants. It is not powered by AT&T. It was initially installed when Water Well No. 5 (now abandoned) was constructed to communicate between the water plants and the remote wells. At that time, this was more reliable than radio communication.
- Active AT&T Line: The active AT&T line is powered by AT&T and is a typical "land line." It was used to enable the autodialing units to call out. It has been replaced with the cellular system.
- Digital Subscriber Line ("DSL"): The DSL enables two-way high speed data communication. The DSL is used to remotely communicate with the supervision, control, and data acquisition system (the "SCADA") at each water plant. This allows a user to view what is happening at the water plant at any time and to reset certain alarms remotely.
- Radio Telemetry: The radio telemetry system communicates via radio signals between the water plants and the remote wells. It is not dependent on AT&T. The radio telemetry system replaced the AT&T Point to Point system. A radio telemetry system typically requires a license issued by the Federal Communications Commission (the "FCC"). However, the District as a governmental entity is exempt from FCC licensing fees.
- Cellular System: The cellular system uses the wireless cellular network to enable the autodialing units to function without an active AT&T line. The cellular system replaced the Active AT&T Lines and appears to be more reliable during catastrophic events.
- Investigation of past plans by AEI: The Water Plant No. 1 expansion project specifically required DSL for communications with the SCADA. It removed the Point to Point service and used a radio telemetry unit. The DSL line was installed by the contract and was transferred to the District at the end of the one-year warranty. The Water Plant No. 2 expansion project used a cellular system router for communications and kept an Active AT&T Line.

Mr. Kurzy then reviewed with the Board three data communication block diagrams (the "Diagrams") as prepared by the District's Engineer that illustrate the use of the telecommunication systems described above. Copies of the Diagrams are included with the Engineer's Report.

Water Plant No. 2 / Ground Storage Tanks and Elevated Storage Tank

Mr. Kurzy reported that the ground storage tanks (the "GSTs") and the elevated storage tank (the "EST") at Water Plant No. 2 were due for annual inspections in December 2018. He noted that the 300,000-gallon GST and the 500,000-gallon EST were each due for a "hatch" inspection, while the 265,000-gallon GST was due for a full inspection.

Wastewater Treatment Plant Effluent Basin Conversion

The Directors next discussed the contract with N&S Construction Co., LP (called "N&S Construction") for permanently converting the disinfection system in the effluent basin in the Plant to operate with bleach instead of the ultraviolet disinfection system (the "Conversion"). Mr. Kurzy reported that N&S Construction was constructing the walls of the chlorine contact chamber at this time.

Mr. Kurzy then reported that N&S Construction had submitted Pay Estimate No. 3 in the amount of \$127,752.30 in connection with the Conversion project. A copy of Pay Estimate No. 3 is attached hereto as an exhibit to these minutes. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize Payment of Pay Estimate No. 3.

Wastewater Treatment Plant / Minor Permit Amendment

Mr. Kurzy reported on the status of the District's application to the Commission for a minor amendment to the District's Discharge Permit (the "Minor Permit Amendment"). He stated that the District's Engineer was awaiting receipt of the final Minor Permit Amendment at this time.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Engineer's Report.

Telecommunication Systems at District Facilities / AT&T Invoices

The Board next discussed matters relating to (1) the invoices submitted to the District by AT&T in recent years (the "AT&T Invoices") in connection with the land lines for the telecommunication systems at the District's facilities; and (2) the status of a certain invoice that the District's Bookkeeper received from AT&T for the District on 4 September 2018 (the "Invoice") that showed a past due balance of \$38,658.55 and a current balance of \$48,716.89. Ms. Symmank reported that the District's Bookkeeper had discussed the Invoice with a representative of AT&T. She reviewed with the Board a string of electronic mail messages between the District's Bookkeeper and Ikaika Soo of AT&T, copies of which are attached hereto as exhibits to these minutes. According to Ms. Soo, she told the Board, when the District cancelled certain telephone accounts with AT&T earlier this year the billing telephone number ("BTN") for those accounts was also cancelled and this resulted in a move of the other services to the new BTN of

7131636000691. The Directors expressed their view that the explanation given by Ms. Soo in the electronic mail message was confusing and unsatisfactory.

Mr. Yale reported to the Board that Randy Owens, Attorney at Law, was unable to attend this meeting of the Board to discuss matters relating to the AT&T Invoices because of a family emergency. The Board directed Mr. Yale to look into whether Mr. Owens could attend the Board's meeting on 17 December 2018 or if it would be necessary to schedule a special meeting of the Board in order to consult with Mr. Owens.

Bookkeeper's Report

Ms. Symmank presented the Bookkeeper's Report, a copy of which is attached hereto and shall be considered to be part of these minutes. She reviewed the District's revenues and expenses for the month of October 2018 as well as the investments for each of the accounts maintained by the District. She reported that the balance of the District's Operating Fund, including the collections account, checking account, and investments, totals \$5,024,872.00 as of this date. Ms. Symmank informed the Board that the District had received a payment of \$8,997.93 from the City of Houston (the "City") for the District's share of sales tax collections during August 2018 pursuant to the Strategic Partnership Agreement with the City for limited purpose annexation of commercial property in the District.

Ms. Symmank then reported that the balance of the District's Debt Service Fund, including investments, totals \$350,028.18 and the balance of the District's Capital Projects Fund, including investments, totals \$3,877,250.91 as of this date. The Board then reviewed: (1) the District's Operating Budget for the fiscal year ending 30 September 2019; (2) the Summary of Costs relating to the District's Series 2018 Bonds; (3) the table listing the District's power consumption and the amount billed to the District; (4) the Schedule of Investments; and (5) the Pledged Security Report. Copies of these documents are included with the Bookkeeper's Report.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to: (1) accept the Bookkeeper's Report and (2) authorize payment of the checks listed therein.

Proposal for Arbitrage Compliance Program

Mr. Yale reviewed with the Board the proposal (the "ACSI Proposal") submitted by Arbitrage Compliance Specialists, Inc. ("ACSI"), for the arbitrage compliance and project fund yield restriction compliance program that addresses requirements of the U.S. Treasury Department and the U.S. Internal Revenue Service with regard to the District's Series 2018 Bonds. Mr. Yale stated that the estimated cost for the initial analysis is \$450. After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the ACSI Proposal and to authorize Director Jordan to

execute same. A copy of the ACSI Proposal as accepted by the Board is attached hereto and shall be considered to be part of these minutes.

Open Government Training / Director Barbour

Mr. Yale reviewed with the Board copies of the Certificates of Course Completion as issued to Director Barbour upon completion of the Texas Open Government training that is required of newly elected or appointed Directors. Copies of the Certificates of Course Completion are attached hereto as an exhibit to these minutes.

West Harris County Regional Water Authority

Mr. Yale distributed copies of a memorandum from Coats Rose regarding the 14 November 2018 meeting of the Authority's board of directors (the "Authority Board"). A copy of the memorandum is attached hereto as an exhibit to these minutes.

Mr. Yale then called the Board's attention to a letter dated 15 November 2018 from the Authority (the "Authority Letter"), a copy of which is attached hereto. He noted that the Authority Board had approved the proposed increase in its groundwater pumpage fee (the "Pumpage Fee") and surface water fee (the "Surface Water Fee") at its meeting on 14 November 2018. Effective 1 January 2019, he continued, the Pumpage Fee will be increased to \$2.95 per 1,000 gallons ("k/gal") of groundwater pumped, and the Surface Water Fee will be increased to \$3.35 per k/gal.

Mr. Yale then informed the Board that the Authority had produced a documentary titled "Partners in Progress" (the "Documentary") that focuses on (1) the Authority's efforts to secure a long-term water supply; (2) future sources of water and the cost to procure same; and (3) an analysis of the rates charged by the Authority for its Groundwater Reduction Plan Fee and the Surface Water Fee. Mr. Yale reviewed with the Board an electronic mail message from Off Cinco, the District's Webmaster, stating that an internet link to the Documentary could be placed on the District's internet website (the "Website"). A copy of the electronic mail message is attached hereto. After discussion, the Board directed the District's Attorney to instruct Off Cinco to place an internet link to the Documentary on the Website

Power Supply Issues / Public Power Pool

Next, the Directors discussed matters pertaining to the aggregate purchase of electricity under the auspices of the Public Power Pool ("P3"). Mr. Yale distributed copies of a newsletter from P3 dated 13 November 2018, a copy of which is attached hereto.

Internet Website

The Directors next discussed matters relating to the Website. Mr. Yale reviewed with the Board the following electronic mail messages (the "Messages") that were

received through the Website, copies of which are attached hereto: (1) a Message from David Ricci regarding the service account for the residence at 5510 Moultrie Lane; (2) a Message from Mark Zim regarding the hardness level of the drinking water provided by the District; and (3) a Message from Janet Glasscock of Brazo Sign Company, who inquired about the possible construction of a monument sign at 5805 State Highway 6 North. Mr. Yale noted that the District's Operator had responded to the Messages. He remarked that the District's Operator had informed Ms. Glasscock that the address for the proposed monument sign was located outside the boundaries of the District.

Attorney's Report

Mr. Yale presented the Attorney's Report.

Public Information Act Request

Next, Mr. Dick Yale reported that the District's Attorney had received an electronic mail message dated 23 November 2018 from Paul Martin in which Mr. Martin requested the address of any residences in certain water districts represented by Coats Rose, including the District, for which the water service had been terminated during the period of 1 October to 31 October 2018. A copy of the electronic mail message is attached hereto as an exhibit to these minutes. Mr. Yale stated that the District's Attorney was working to respond to Mr. Martin's request for information.

Venture Landscape Systems, LLC

The Board then discussed matters relating to the landscaping services being performed in the District by Venture Landscape Systems, LLC ("Venture"). Mr. Will Yale reviewed with the Board a letter dated 1 November 2018 from Ron and Lori Heydon of Venture in which they stated that Venture had merged with Landscape Images of Texas d/b/a LOL, Inc. ("Landscape Images"), effective 31 October 2018. A copy of the letter is attached hereto as an exhibit to these minutes. Mr. Yale noted that future invoice payments from the District to Landscape Images should be sent to the new office located at 17225 Groeschke Road, Houston, Texas 77084.

Eminent Domain Reporting

Mr. Yale reported that prior to 1 February 2019 the District's Attorney would file with the Texas Comptroller the annual report for the District containing certain information relating to the District's eminent domain authority pursuant to Senate Bill 1812 as approved by the 84th Texas Legislature – Regular Session 2015 (the "Annual Report"). He reviewed with the Board an electronic mail message dated 1 November 2018 from the office of the Texas Comptroller regarding the requirement for filing the Annual Report. A copy of the electronic mail message is attached hereto.

Homeland Security Contact Information

Finally, Mr. Yale reviewed with the Board a letter dated 23 October 2018 from the Texas Commission on Environmental Quality regarding the 2019 Homeland Security Contract Update Form to be completed and submitted by the District in connection with its public water system. A copy of the letter is attached hereto as an exhibit to these minutes. Mr. Yale stated that the letter had been forwarded to the District's Operator.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Attorney's Report.

There being no further business to come before the Board, the meeting was adjourned.




Secretary, Board of Directors

Harris County Municipal Utility District No. 102
Meeting of 26 November 2018
Attachments

1. Email from Director Richard Barbour;
2. Security Patrol Report;
3. WCA Customer Issue Listing;
4. Presentation / Best Trash;
5. Presentation / Residential Recycling & Refuse of Texas;
6. Tax Assessor/Collector's Report;
7. Operator's Report;
8. Electrical Preventive Maintenance Survey;
9. Engineer's Report;
10. Detention Pond Maintenance Report;
11. Memo from AEI / Sanitary Sewer Overflow Initiative action plan;
12. Pay Estimate No. 1 and FINAL / Area B – Phase II Sanitary Sewer Televised Inspection and Evaluation;
13. Certificate of Completion and Certificate of Acceptance / Area B – Phase II Sanitary Sewer Televised Inspection and Evaluation;
14. Pay Estimate No. 3 / Wastewater Treatment Plant Effluent Basin Conversion;
15. Email from Ikaika Soo (AT&T) / HCMUD 102 Accounts with AT&T Services;
16. Bookkeeper's Report;
17. ACSI Proposal / Series 2018 Bonds;
18. Certificate of Course Completion / Open Meetings Act;
19. Certificate of Course Completion / Public Information Act;
20. Coats Rose memo / WHCRWA;
21. Letter from WHCRWA / Notice of Fee Increase;
22. Email from Off Cinco;
23. P3 Newsletter;
24. Email from David Ricci;
25. Email from Mark Zim;
26. Email from Brazo Sign Company;
27. Email from Paul Martin;
28. Letter from Landscape Images of Texas;
29. Email from Texas Comptroller; and
30. Letter from TCEQ / Homeland Security Contact Update.