

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172

Minutes of Meeting of Board of Directors

April 18, 2018

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 172 ("District") was held at Houston National Golf Club, 16500 Houston National Blvd., Houston, Texas on April 18, 2018 in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

David T. Perkins, President
Jerry M. Folmar, Vice President
Pat Burke, Director
Tom Russell, Director
Jerry Stenberg, Secretary/Investment Officer

and the following absent:

none.

Also present were Mr. Chris Hoffman, Ms. Donnise Hoffman operator for the District; Mr. Cory Burton, bookkeeper for the District; Ms. Patty Rodriguez, tax assessor/collector for the District; Mr. Stephen Swindell and Ms. Kaci Schlachter, engineers for the District; Mr. Mark Flynn; Mr. Ron Brooks, representing Chesmar Homes and Mr. G. Taylor Goodall, Jr, attorney for the District.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. The Board acknowledged the presence of the family members of recently departed former President Jack Brooks. David Perkins thanked the family for Mr. Brooks' unwavering service to the Board and announced to the family that the District's Water Plant No. 2 will be renamed the Jack Brooks Water Plant. After a standing ovation in honor of Mr. Brooks and brief words by Mrs. Brooks, the President continued with the Agenda.

2. The Board considered the items on the Consent Agenda. In response to corrections to the March 21, 2018 meeting minutes by Director Burke, the minutes were removed and tabled for approval at the District's May Board of Directors meeting. Upon motion made by Director Stenberg, seconded by Director Folmar, the remainder of the Consent Agenda was approved as presented.

3. The Board considered Public Comments. Seeing none, the President continued with the Agenda.

4. The Board considered an Assignment and Assumption of Agreement for services of a tax assessor/collector. After brief review and discussion, upon motion made by Director Folmar, seconded by Director Stenberg, the Board unanimously approved the assignment and assumption as presented.

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5. Christie Leighton approached the Board regarding recent issues with Best Trash collection. In response to customer complaints, the Board and Director Burke requested that Ms. Leighton look further into bins left in the middle of the road, missed trash, the lack of true “garage door” service. Mark Flynn raised further concerns about the level of work load the collectors collecting in the District are required to put in per day and noted that he feels it leads to sloppy service within the District. The Board voiced further concerns that District residents are taxed with raising collection issues directly to Best Trash due to a lack of proper oversight by Best Trash. Ms. Leighton agreed to take the District’s comments under advisement and will provide an update, in the coming weeks, regarding the Best Trash plan of action to remedy the situation.

6. The Board considered developer reports. The reimbursement of Chesmar Homes and Caldwell Companies for the Chesmar water, sewer and drainage facilities was discussed and the Board was reminded that Mr. Howell had held preliminary discussions with Mr. Ron Brooks regarding reimbursement. In response, the Board unanimously approved a Resolution Requesting a Certified Estimate of Value with Directors Russell and Burke making the motion, a necessary step in Mr. Howell’s analysis regarding the potential for reimbursement to Chesmar Homes and Caldwell Companies.

7. The auditor presented the annual audit of the District’s books and records for the fiscal year ended December, 2017. After a review and discussion, upon motion made by Director Russell, seconded by Director Stenberg, the Board approved the audit and authorized its distribution to the appropriate entities. It was noted that the audit should be corrected to reflect the proper amounts owed to District developers and Director Burke requested information regarding statements in the management letter.

8. The Board reviewed the Resolution Affirming Review of Investment Policy, Strategies, and Objectives, a copy of which is attached hereto. Mr. Goodall noted that, as required by the Public Funds Investment Act, the Board annually must review and either amend or affirm the District’s Investment Policy, Strategies, and Objectives. Upon motion made by Director Russell, seconded by Director Stenberg, and unanimously carried, the Board approved the Resolution Affirming Review of Investment Policy, Strategies, and Objectives

9. Mr. Goodall reported that District representatives will be completing the continuing disclosure documents. Each year the District must update certain relevant District information. Upon motion duly made and seconded, the Board authorized the attorney to complete and submit the continuing disclosure and other required filings.

10. Stephen Swindell and Kaci Schlachter presented the Engineer’s Report, copy attached. The Board meticulously reviewed the questions and responses provided by Director Folmar and the District engineers regarding design of the hydro pneumatic tank project. After lengthy discussion, it was decided that Mr. Swindell shall solicit the design input from Directors Folmar and Russell regarding the issue. Mr. Swindell agreed to follow up with the Board regarding the matter. Subject to that discussion, upon motion by Director Burke, seconded by Director Stenberg, the Board unanimously approved the engineer’s report as presented.

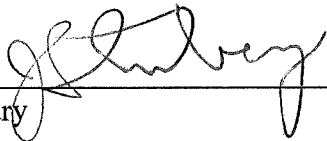
11. Chris and Donnise Hoffman presented an operator’s report, copy attached. Mr. Hoffman reviewed the routine regulatory and maintenance items with the Board. In response to an

inquiry from Mark Flynn regarding barriers being placed near certain meter boxes that are prone to damage by Harris County traffic light contractors, it was decided that Mr. Hoffman will look in the matter and make a recommendation. After discussion and upon motion made by Director Folmar, seconded by Director Stenberg and unanimously carried, the Board authorized the District's operator to proceed with termination of utility service pursuant to provisions of the Rate Order and approved the operator's report as presented.

12. The Board considered matters associated with the Joint WWTP project. Clint Wilhelm, Director of Harris County Municipal Utility District No. 155 ("No. 155"), gave an update regarding the wastewater plant rehab project. Mr. Wilhelm noted that No. 155 is keeping careful watch over the temporary south plant issues and noted that he hopes that the temporary south plant will be fully functional within a week so that the north plant project can begin and come to a conclusion. Mr. Wilhelm noted that there were issues regarding the temporary package plant delivered to the site. It appears the issues are resolved and No. 155 will adjust payment in accord.

13. Director Perkins noted that this will be his last Board of Directors meeting and the Board members thanked him for his service.

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


Secretary