

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172

Minutes of Meeting of Board of Directors

February 21, 2019

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 February 21, 2019 in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Jerry M. Folmar, President
Pat Burke, Vice President
Jerry Stenberg, Secretary/Investment Officer
Tom Russell, Assistant Secretary

and the following absent:

Mark Flynn, Director

Also present were Mr. Chris Hoffman, operator for the District; Mr. Cory Burton, bookkeeper for the District; Mr. Stephen Swindell, engineer for the District; Patty Rodriguez, tax collector; and G. Taylor Goodall, Jr. of Smith, Murdaugh, Little & Bonham, L.L.P.

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

1. The Board considered the items on the Consent Agenda. Subject to that discussion, upon motion made by Director Stenberg, seconded by Director Russell, the Board approved the Consent Agenda as presented.

2. The President then solicited public comments. Seeing none the President continued with the agenda.

3. The Board considered the schedule of consultant reviews. The Board discussed the review outlines and checklists as prepared by Director Burke. Mr. Burke noted that he believes reviews of the consultants contracts are in order. Director Stenberg agreed to draft an outline for review of the bookkeeper's and tax office. It was agreed that special meetings to be held for review of the District's operator, engineer and attorneys shall be held on March 5, March 11 and March 25, 2019 respectively. The additional consultant review meetings will be addressed at the District's regularly scheduled March Board of Directors meeting.

4. Stephen Swindell presented an engineer's report, copy attached. Mr. Swindell reviewed the status of the water plant improvements project. It was noted that Mr. Swindell shall obtain proposals for the painting of the water tank. There was discussion regarding the West Road sanitary sewer line rehabilitation and an update regarding the storm water permit renewal is currently being prepared. Subject to said review and discussion, upon motion made by Director Burke, seconded by Director Stenberg, the Board unanimously approved the engineer's report as presented.

5. Chris Hoffman presented an operator's report, copy attached. The District accounted for 93.1% of water produced and repaired a four inch water main and replaced sidewalk and landscaping at 8719 Candleshine. Valves at the water plant ground storage tank had to be replaced and the West Road storm water quality feature was cleaned. There was lengthy discussion regarding the results of the commercial meter testing and the Board authorized repair of the Lone Star College meter and replacement of the Birkes Elementary meter. After discussion, upon motion made by Director Stenberg, seconded by Director Russell, 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.

6. The Board considered a Resolution Affirming Identity Theft Prevention Program, copy attached. Upon motion by Director Stenberg, seconded by Director Russell, the Board unanimously approved the Resolution as presented.

7. The Board considered a Resolution Authorizing Challenge to the Appraisal Roll. Mr. Goodall reminded the Board that the Board annually adopts such a resolution authorizing the District's tax collectors to make any necessary challenges on the District's behalf. Upon motion by Director Russell, seconded by Director Stenberg, the Board unanimously approved the Resolution as presented.

8. The Board considered the District's Rate Order. Mr. Goodall distributed copies of a proposed revised and modified Rate Order and requested that the Directors, operator and engineers review the Rate Order prior to the District's regularly scheduled March Board of Directors meeting. Comments to the Rate Order can be sent directly to Mr. Goodall for incorporation.

9. The Board considered Joint WWTP plant matters. Director Burke gave an update regarding his talks with the District's auditor regarding the potential audit of the WWTP books. Mr. Burke determined that it would not be cost effective for such an audit at this time but noted that he still desires additional detail from Harris County Municipal Utility District No. 155 regarding joint project costs.

10. Director Russell gave an update regarding his attendance at the AWBD Winter Conference and there was discussion regarding the operator's procedures for boil water notice issuance. It was noted that the West Harris County Regional Water Authority has made a right of entry request. It was determined that further investigation is to be made regarding the well that is the subject of the right of entry request. It is possible that the well is owned and maintained by the HOA and/or developer of Towne Lake rather than the District.

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


Secretary