

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172**

Minutes of Meeting of Board of Directors

March 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 March 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  
Mark Flynn, Director

and the following absent:

None

Also present were Mr. Chris Hoffman and Ms. Donnise Hoffman, operators for the District; Ms. Cynthia Colondres, 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. It was decided that the minutes from the March 5 and March 11, 2019 meetings shall be tabled until the April Board of Directors meeting. Subject to motion made by Director Flynn, seconded by Director Russell, the Board approved the remainder 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 the remaining consultant reviews. It was decided that the review for the bookkeeper shall take place at 5:30 p.m. at the District's operators office on April 3, 2019 and the review for the tax assessor/collector shall take place at 5:30 p.m. at the District's operators office on April 8, 2019.

4. Stephen Swindell presented an engineer's report, copy attached. In response to a question by Director Burke, Mr. Swindell explained the submittals review process. The Board discussed the metal work performed and the possibility of additional painting at water plants No. 1 and No. 2. Mr. Swindell gave an update regarding the status of the West Road sanitary sewer rehab project. Mr. Swindell then presented a map and explained that the make up well discussed at the last meeting is on HOA property and is owned by the District's HOA. The Board then reviewed other action items discussed at the recent special meeting held to review the District's engineer. Mr. Swindell will continue to monitor the engineer from Harris County Municipal District No. 155 ("No. 155") as it relates to joint facility projects. The Board unanimously authorized an annual water plant inspection.

Director Burke listed additional action items stemming from the previous review meeting. First, Mr. Burke requested Jones & Carter work with AWBD regarding greater contractor liability for public works contracts. Second, Director Burke desires that the inspection reports be available in electronic format so that he can view them more easily. Third, Director Burke would like to be permitted to attend Jones & Carter post project corporate meetings regarding project review. Lastly, Director Burke requests greater transparency regarding how engineer rate increases are justified. Subject to said review and discussion, upon motion made by Director Burke, seconded by Director Russell, the Board unanimously approved the engineer's report as presented.

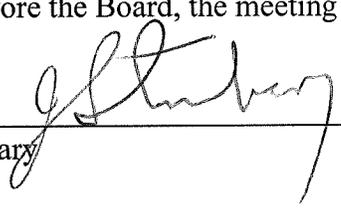
5. Chris and Donnise Hoffman presented an operator's report, copy attached. The District accounted for 93.7% of water produced. The Berry Center commercial meter is being repaired and the water plant landscaping is complete. After discussion, upon motion made by Director Flynn, seconded by Director Russell, 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 amendments to the District's Rate Order. The Board reviewed a proposed change to the Rate Order with the attorneys and operators for the District. It was decided that the delinquent letter fee shall be raised to \$20.00 and upon motion made by Director Burke, seconded by Director Stenberg, the residential sewer service fee shall be a \$36.00 flat rate. Mr. Goodall should draft deposit catch up language and final approval of the updated Rate Order will occur at the District's April meeting.

7. There was no update regarding the joint sewer plant but it was noted that the second quarter meeting is upcoming.

8. Director Burke reported that No. 155 hired MOC as the new operator and that he is still attempting to get further detailed invoices for the Joint WWTP rehab project. No. 155 is still waiting for a quote for modifications to the check valve and the Board requested that Mr. Swindell consult with the engineer for No. 155 regarding the check valve project.

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

  
Secretary