

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172

Minutes of Meeting of Board of Directors

June 20, 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 June 20, 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 Ms. Donnice Hoffman and Josh Board, operators for the District; Mr. Cory Burton, bookkeeper for the District; Mr. Stephen Swindell, engineer for the District; Mr. Michael McCarthy; Mr. Jeff Penney; Patty Rodriguez, tax collector; Peg Dawson 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 Consent Agenda. Director Burke inquired regarding two items on the attorney’s invoice pertaining to Dede Wyatt addressing customer inquiries. Mr. Goodall reported that from, time to time, customers do call his office and, occasionally, it becomes necessary for Ms. Wyatt to aid customers in their inquiries. The Board expressed concern over District bearing the cost for such inquiries. Mr. Goodall reported that he would investigate the nature of the customer inquiries further and report back to the Board. In addition, Mr. Burke asked a question regarding a recent request by RBC, as one of the District’s bond holders, for information pertaining to a Series 2014 Bond issue. Upon motion made by Director Flynn, seconded by Director Burke, the Board unanimously approved the Consent Agenda as presented.

2. The Board considered public comments. Peg Dawson reintroduced herself to the Board as a representative of Harris County Municipal Utility District No. 155 as did Jeff Penney, newly appointed Director on Harris County Municipal Utility District No. 156.

3. Stephen Swindell and Michael McCarthy presented an engineer’s report, copy attached. Mr. Swindell updated the Board on the status of the water plant improvements project. The water plant No. 1 ground storage tank No. 1 repairs appear to be complete and the contractor is nearing completion of the work to be performed on ground storage tank No. 2. There was lengthy discussion regarding the long term maintenance of the tanks. Nine of 32

manholes have been rehabilitated thus far and vacuum testing of the manholes will occur after completion of the rehabilitation. There was an update regarding work to be performed as a result of a sidewalk replacement and repair. Mr. Swindell continues to work with the bookkeeper, operator and attorney regarding calculations to be billed for water plant and line work for Cy-Fair ISD and Lone Star College District. It was reported that there has been no communication from representatives of Lone Star College District regarding the annexation request discussed at the last meeting.

4. Donnice Hoffman and Josh Board presented an operator's report, copy attached. The District accounted for 95.58% of water produced. The operators reviewed the semi-annual well test reports with the Board and noted that regularly scheduled generator maintenance and chlorinator preventative maintenance was performed. The operators continue to work with Mueller Meter regarding the smart meter system and the Board requested that the District remain vigilant in matters associated with the smart meter. The operators reviewed the regulatory filing information, as well as, the billing and collection information. After discussion, upon motion made by Director Stenberg, seconded by Director Burke, 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.

5. In light of Chris Hoffman's absence from the meeting, the Board tabled consideration of amendment to the District's contract with the operator for services.

6. The Board was presented with a Resolution Specifying Locations for Posting Meeting Notices, copy attached. Mr. Goodall reported that, per the Board's request, the Resolution, once passed, will require that meeting notices be placed at water plant No. 1 and water plant No. 2. The Board requested that the operator review options for bulletin board style posting boxes. Subject to that discussion, upon motion made by Director Russell, seconded by Director Flynn, the Board unanimously approved the Resolution as presented.

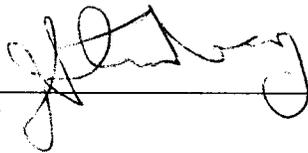
7. Mr. Goodall noted that the District Investment Officer, Director Stenberg, had presented his office with the required annual investment officer update. In addition, Mr. Goodall distributed the annual Director conflict disclosure questionnaires which were completed and executed by each Board member.

8. Mr. Goodall reported that his office, the engineers, and the operators worked together to make sure that the necessary annual emergency preparedness and critical load filings were made as required by the state. These annual filings are typically made every year prior to the beginning of hurricane season.

9. Director Burke presented an update regarding the joint sewage treatment plant. It was noted that the next quarterly meeting will be in July. Director Burke noted that progress had been made on the necessary repairs to the lift station but that final costs were not determined at this time. There was also lengthy discussion regarding a list of necessary maintenance and repairs to be performed at the Joint WWTP as compiled by the new operating company of the plant. In addition, it was noted that infrastructure may be installed to address foaming on the clarifiers at the plant. In addition to Mr. Burke's update, Peg Dawson reported her understanding of the recent and upcoming maintenance items to be performed at the plant.

The Board then inquired of Mr. Swindell regarding the latest update from the engineer for the Joint WWTP and Mr. Swindell reported that he did reach out to the engineer but noted that no new information has been received.

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


Secretary