

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 172**  
Minutes of Meeting of Board of Directors  
August 15, 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 August 15, 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, Ms. Donnice Hoffman and Mr. Josh Board, operators for the District; Mr. Cory Burton, bookkeeper for the District; Mr. Stephen Swindell, engineer for the District; Patty Rodriguez, tax collector; Ms. 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 raised questions about tax collection procedures. It was noted that the District did not incur any extra expenses as a result of the waiver of penalty and interest granted at the previous meeting. Upon motion duly made and seconded, the Board unanimously approved the Consent Agenda as presented.

2. The Board then considered public comment. Christine Leighton, from Best Trash, briefly discussed trash collection with the Board.

3. Stephen Swindell presented an engineer’s report, copy attached. Mr. Swindell noted that Ground Storage Tank No. 1 will be online within one week. He expects a manhole rehabilitation final pay estimate to be presented at the next meeting. The engineer then gave an update on stormwater permits. Director Burke requested that Mr. Swindell update the CIP. Upon motion made by Director Burke, seconded by Director Flynn, the Board unanimously approved the engineer’s report and the action items contained therein.

4. Chris Hoffman presented an operator’s report, copy attached. After noting that the District accounted for 90.17% of water produced, Mr. Hoffman reviewed the cost of a tap line repair discussed at a previous meeting. The annual hydrant review in Copper Village was performed. The operator reviewed and offered comments to a proposed notice to customers

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regarding paperless billing. The Board discussed the possibility of offering credit card payments. Mr. Hoffman and Director Folmar attended a meeting with Mueller representatives prior to the Board meeting. Mr. Hoffman provided an update and noted he expects Mueller to provide feedback within 30 days, including as it pertains to providing a complimentary software update. Josh Board provided the attached memo regarding Muller smart meter system leak alerts, water budget, and high flow rate notifications. Director Burke requested that Mr. Board prepare a cost analysis of various options to the smart meter issues. After discussion, upon motion made by Director Russell and seconded by Director Flynn, the Board unanimously 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. The Board reviewed an updated draft to a proposed operator's contract and cost impact summary as prepared by District operator. The net effect would be a 4.2% increase to the monthly bills. Director Burke reported the results of his review of an "increased work scope contract effective October 1<sup>st</sup>". After discussion, upon motion made by Director Russell and seconded by Director Flynn, the Board unanimously approved the contract.

6. The Board discussed proposed amendments to the attorney contract. After discussion, it was decided that the Board will review the proposal further and provide feedback to Mr. Goodall's office over the coming month.

7. The Board tabled discussion of the District detention ponds and a request for pond use as a fish habitat until the September meeting.

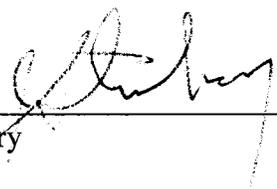
8. The Board considered the Contract with Mueller Systems, LLC for smart meters and took no action.

9. The Board considered soliciting bids for District insurance but tabled the matter.

10. Director Burke presented an update regarding the joint sewage treatment plant. Director Burke noted that billing for HOA irrigation water use should be taken into account when reporting usage for Joint WWTP billing purposes. The Board then discussed the costs and benefits of irrigation only taps.

11. The Board considered compliance with the new open government laws. After discussion, upon motion made by Director Stenberg, seconded by Director Folmar and unanimously carried, the Board authorized Off Cinco to create email addresses for the Board of Directors.

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

  
Secretary