

MINUTES OF MEETING OF BOARD OF DIRECTORS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 433
FEBRUARY 13, 2019

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 433

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 433 (the "District") met in regular session, open to the public, at Mischer Investments, 9 Greenway Plaza, Suite 2900, Houston, Harris County, Texas 77046, on February 13, 2019, at 11:30 a.m., whereupon the roll was called of the directors, to-wit:

Walt Doyle, President
Scott Forbes, Vice President
Jordan Williams, Secretary
Taylor Cavnar, Treasurer,
Louis R. Evans, Assistant Secretary

All members of the Board were present, except Directors Williams and Evans, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Pamela Logsdon of Avanta Services; Ms. Ana Duarte of Tax Tech, Inc. ("Tax Tech"); Mr. Jason Demel of Inframark ("Inframark"); Ms. Keli Schroeder of Brown & Gay Engineers, Inc. ("BGE"); Mr. Josh Fort of Champions Hydro-Lawn ("Champions"); Mr. Randy Corson of Mischer Investments, LP ("Mischer"), developer for the District; and Mr. Neil Thomas and Ms. Brenda Presser of Norton Rose Fulbright US LLP ("NRF").

The meeting was called to order and, in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as *Exhibit A*, the following business was transacted.

1. **Minutes.** The President opened discussion as to the minutes of the meeting of January 9, 2019, previously distributed to the Board. Upon motion by Director Forbes, seconded by Director Cavnar, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of January 9, 2019.

2. **Tax Assessor and Collector Report and Payment of Bills.** The President recognized Ms. Duarte, who presented to and reviewed with the Board the Tax Assessor/Collector's report for February 13, 2019, a copy of which is attached hereto as *Exhibit B*. She noted that to date the District had collected 98.8% of its 2018 taxes. Upon motion by Director Cavnar, seconded by Director Forbes, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor/Collector's Report and to authorize the payment of the checks listed therein.

3. **Bookkeeper's Report and Payment of Bills.** The President recognized Ms. Logsdon, who presented to and reviewed the Bookkeeper's Report and summary of cash transactions for the period of January 1, 2019, to February 13, 2019, copies of which are attached hereto as *Exhibit C*.

Upon motion by Director Forbes, seconded by Director Cavnar, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, and to authorize payment of the checks in the amounts and to the persons listed in the Report.

4. **Operations Report.** The President recognized Mr. Demel, who presented to and reviewed with the Board the Operator's Report for the month of January 2019, a copy of which is attached hereto as *Exhibit D*.

Mr. Demel reviewed the maintenance and repair projects for the month.

Mr. Demel reported that since the last meeting, 28 door hangers were distributed on delinquent accounts. Two accounts were disconnected for non-payment and the remainder have since been paid.

Mr. Demel reported on coordination with BGE regarding the measurement of effluent leaving the Wastewater Treatment Plant (the "Plant"). He stated that BGE recommends the purchase and installation of a small meter at the Plant. He explained the formula to determine the effluent amounts and stated that the estimated cost of the meter is \$15,000. The cost will be billed directly to the District as opposed to subcontracting through Inframark.

Mr. Demel presented and reviewed a proposal to distribute rocks to stabilize the potholes and ruts in the driveway to the Plant for an estimated cost of \$3,500.

Upon motion by Director Forbes, seconded by Director Cavnar, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, to authorize termination of delinquent accounts pursuant to the terms of the Rate Order, to approve the installation of a small meter at the Plant to measure effluent for a cost not to exceed \$15,000, and to approve the proposal to bring in rocks to stabilize the potholes and ruts in the driveway to the Plant.

5. **Engineer's Report.** The President recognized Ms. Schroeder, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit E*.

Ms. Schroeder presented and requested approval of Change Order No. 2 for \$300.00 to W.W. Payton Corporation representing an increase in the contract for hydro-pneumatic tank installations at Water Plant Nos. 1 and 2. She stated that Change Order No. 2 adds concrete steps for hydrotank accessibility.

Upon motion by Director Forbes, seconded by Director Cavnar, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report and to approve Change Order No. 2 for \$300.00 to W.W. Payton Corporation. The change order represents an increase in the contract for installation of concrete steps for hydrotank accessibility at Water Plant Nos. 1 and 2.

6. **Report on Drainage Facilities.** The President recognized Mr. Fort, who presented to and reviewed with the Board the detention and drainage facilities report from Champions Hydro-Lawn, Inc., a copy of which is attached hereto as *Exhibit F*.

Mr. Fort presented and requested approval of a Change Order for a net increase of \$10,124 for mound removal and desilting at IDC 5. He reported that additional machinery and manpower is necessary to complete the project in a timely manner. Discussion ensued. Upon motion by Director Forbes, seconded by Director Cavnar, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Change Order for a net increase of \$10,124 for additional machinery and manpower for mound removal and desilting at IDC 5.

7. **Approve EarthCare Management Proposal(s).** President Doyle reviewed updated proposals from EarthCare Management for revised improvements to the District's lot on Sarah Lane, a copy is attached as *Exhibit F*. Discussion ensued. It was the consensus of the Board that President Doyle contact EarthCare Management to convey the Board's approval of Estimate #B753 to

provide landscaping for \$6,217.88, Estimate #B727 to furnish and install a wrought iron fence to close the lot area for \$4,830.66, and Estimate #S827 to install a new irrigation system, less the cost for a "four-inch valve for bed," for a total cost for irrigation of \$7,425.00.

8. **Discuss repairs and maintenance of fountains within the District.** President Doyle discussed customer calls to the property owners association regarding repairs to the lakes in the District. Discussion ensued regarding contract terms, budget for expenses, authorized amount, and notification. The Board concurred that calls should continue to be reported to the property owners association and requested that NRF notify LakePro about an addendum to the General Services Agreement that authorizes repairs up to \$1,500, and any repairs above that amount or outside the scope of the General Services Agreement shall require approval by the Board.

9. **Developer's Report.** Mr. Corson reported on interests for a 30-acre tract on Tuckerton.

10. **Other Consultant Reports.** There were no other consultant reports.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on February 13, 2019.

Walt Doyle

President, Board of Directors

ATTEST:

Ph. White

Secretary, Board of Directors

