

MINUTES OF MEETING OF BOARD OF DIRECTORS AND
JOINT WATER PLANT ADVISORY COMMITTEE
March 20, 2018

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY UTILITY DISTRICT NO. 14 and 15

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Harris County Utility District No. 14 ("No. 14") met in special session, open to the public, with representatives of Harris County Utility District No. 15 ("No. 15") for a meeting of the Joint Advisory Committee for the Joint Water Plant ("Committee"), at 4127 Breckenridge Drive, Houston, Harris County, Texas, at 6:15 p.m. on Tuesday, March 20, 2018; where Directors Georgann Francis, Glenn Kruse, Pam Criglow, Donna Smedick and Emma Smith attended for No. 14, and Directors Kevin Mosley, Bridgette Kelley and Eric Goodie attended for No. 15. Mr. Goodie acted as Chair of the Committee.

Also attending all or portions of the meeting were Mr. Lonnie Lee of Regional Water Corporation ("Regional"), operator for No. 14; Mr. Eric Johnson of IDS Engineering ("IDS"), engineer for No. 14, Mr. Robert Atkinson of Edminster, Hindshaw, Russ & Associates, Inc. ("EHRA"), engineer for No. 15, Mr. Greg Dubiel of Municipal Operations & Consulting, Inc., operator for No. 15, Mr. Mayfield Harris, resident of No. 14, and Ms. Jane Maher of Norton Rose Fulbright US LLP ("NRF"), paralegal for No. 14.

The meeting was called to order in accordance with notice posted pursuant to law, Chapter 551, Texas Government Code and Section 49.063, Texas Water Code, copies of which are attached hereto as Exhibit "A", and the following business was transacted:

1. **Discuss any other Joint Water Plant matters and any necessary action.** The Chairman of the Committee recognized Mr. Lee, who stated that the interconnect meter on Bencrest is installed and that Regional is waiting to receive the "Bac-T" samples before the meter is placed online.

2. **Discuss replacement of well pump motor and any necessary action.** The Chairman of the Committee recognized Mr. Johnson, who presented to and reviewed with the Committee an informational packet from Alsay regarding the replacement options for the well pump motor, a copy of which is attached hereto as Exhibit "B." Mr. Johnson stated that a power surge caused the motor to short. He noted that the motor is the original motor and has been rebuilt three times. Mr. Lee stated that a claim for the well pump has been filed with No. 14's insurance provider.

Mr. Johnson stated that there are four options for replacing or repairing the well pump motor. He stated that the two best options for the Committee to consider are option one and option three. He stated that option one is to rebuild the motor at a cost of \$35,730, and that option three is to replace the motor with a two year warranty at a cost of \$50,000. Mr. Lee stated that option four is not a viable option, as it is a smaller motor. It was the consensus of No. 15 to proceed with option three to replace the motor at a cost of \$50,000.

Upon motion by Director Kelley, seconded by Director Mosley, after full discussion and the question being put to No. 15, No. 15 voted unanimously to approve the replacement of the motor at a cost of \$50,000.

Upon motion by Director Francis, seconded by Director Smith, after full discussion and the question being put to No. 14, No. 14 voted unanimously to approve the replacement of the motor at a cost of \$50,000.

Mr. Lee stated that he will notify Alay to order the motor.

3. **Discuss installation of isolation valves for pressure tanks and any necessary action.** The Chairman of the Committee recognized Mr. Lee, who presented to and reviewed with the Committee a cost estimate for the replacement of the isolation valves for the pressure tanks, a copy of which is attached hereto as Exhibit "C." Mr. Lee stated that one isolation valve is bad and needs to be replaced and that the other isolation valve is on the verge of needing to be replaced. Mr. Lee stated that replacing the isolation valves would cost an estimated \$13,000.

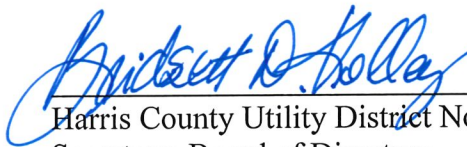
Upon motion by Director Mosley, seconded by Director Kelley, after full discussion and the question being put to No. 15, No. 15 voted unanimously to approve the replacement of the isolation valves for the pressure tanks at an estimated cost of \$13,000.

Upon motion by Director Francis, seconded by Director Smedick, after full discussion and the question being put to No. 14, No. 14 voted unanimously to approve the replacement of the isolation valves for the pressure tanks at an estimated cost of \$13,000.

4. **Discuss other regional facility issues and any necessary action.** Director Kruse asked if No. 15 has further considered being party to the letter to Harris County Municipal Utility District No. 33 ("HCMUD No. 33") regarding an amendment to the Waste Disposal Contract. Director Smedick suggested that the Committee review the contract and create a list of things that the Committee would like to amend. The Chairman of the Committee stated that No. 15 will review the Waste Disposal Contract and will address potential amendments with No. 14 at a later date.

It was the consensus of the Committee to tour the water plant for the next scheduled meeting.

The foregoing minutes were passed and approved by the Board of Directors of
No. 15 on April 25, 2018.



Harris County Utility District No. 15
Secretary, Board of Directors

