

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY UTILITY DISTRICT NO. 15 §

The Board of Directors of Harris County Utility District No. 15 met in special session, open to the public, at its meeting place outside the boundaries of the District, at 6750 West Loop South, Suite 865, Bellaire, Harris County, Texas on December 15, 2015. The roll was called of the members of the Board of Directors, to-wit:

Eric Goodie	President
Leonard Mattox	Vice President
Bridgett D. Kelley	Secretary
Kevin Mosley	Treasurer
Phillip Givens	Assistant Secretary

All members of the Board were present. Director Goodie entered the meeting after the approval of the Minutes. Director Mattox left the meeting after the review of the Delinquent Tax Agreement.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Yvonne Luvano of Wheeler & Associates, Inc.; Brian Dubiel of Municipal Operations & Consulting, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Ryan Fortner of Sales Revenue Inc.; Shanna Lopez of Waste Management; Dayne Burson of Accurate Meter & Supply; and Queen Warner, a District resident.

WHEREUPON, the meeting was called to order by the Vice President, and evidence was presented that public notice of the meeting had been given in compliance with the law.

1. **OPENING PRAYER.** Director Mattox led those assembled in prayer.

2. **MINUTES OF MEETINGS.** The Board next considered approving the minutes of the meetings of November 15, 2015 and December 8, 2015. It was moved by Director Kelley and seconded by Director Mosley that the minutes of the meetings of November 15, 2015 and December 8, 2015 be approved, which said motion carried unanimously.

Director Goodie entered the meeting at this time.

3. **PUBLIC COMMENTS.** Queen Warner, of 3203 Chalfont, informed the Board in 2014 a main line burst and it took two days to repair. She stated during that time there was not any water consumption, but neighbors called stating there was water in the house. Ms. Warner also stated a tree fell into a house due to another main break, which damaged the house and created mold issues. She asked why they never received an explanation from the insurance company stating why it will not pay for the repairs. Ms. Warner added that she was told there was sand in the U-Joint. She asked why the District is not responsible. Brian Dubiel explained they repair main line breaks all of the time but it appears there is a defective pipe in or under the house. He added that the insurance company investigated the issue. Director Givens stated the sand in the U-Joint might be a new consideration; he added the first submission to TML Insurance concerning the repairs in 2014 was denied in writing.

4. **DIRECTOR'S REPORTS.** Director Kelley reported she met with Darrell Hawthorne to review the bookkeeping agreement. She recommended retaining Municipal Accounts & Consulting, LP as the District's bookkeeper.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley to retain Municipal Accounts & Consulting, LP as the District's bookkeeper, which motion carried unanimously.

Director Goodie discussed the status of The Flow newsletter. He stated the newsletter will have information on the detention ponds and parks.

Director Goodie discussed a customer issue concerning shrubs and tree limbs that were removed. He stated Waste Management picked up the shrubs and tree limbs last year but they will check the address and visit the issue again.

5. GENERAL MANAGER'S REPORT. Director Givens reviewed the General Manager's Report. He discussed holding a special meeting January 16, 2016 at 10:00 a.m. to discuss the Smart Metering Program.

Director Givens discussed the "Visioning Meeting" regarding the District Meeting Facility. He stated there was discussion regarding the highest and best use of the property while minimizing the water and energy footprint. Director Givens added the Board's consensus is to construct a facility that looks like a residential property and promotes a maximum benefit to the community for many years while minimizing the annual maintenance cost.

Director Givens recommended continuing to review the adopted Parks Master Plan and incorporate the appropriate elements into the plans for the administration building.

Director Givens requested authorization to work with the Operator to revise the IRIS form needed to obtain current contact information from customers.

Director Givens informed the Board the CUPPS Asset Management program is up to date and he will provide a report of the 2015 activities at the February Board meeting.

Following further discussion, it was moved by Director Kelley, seconded by Director Mosley, and unanimously carried that the General Manager's report be approved.

6. SECURITY SERVICES AGREEMENT. Director Givens reviewed the security contract information with the Harris County Sheriff Department.

The Board declined to consider SEAL, the private security company, as a contractor.

7. JOINT OPERATIONS REPORT. The Joint Water Report and Joint Wastewater Treatment Plant report were not presented at this time.

8. REVIEW OF TAX ASSESSOR COLLECTOR AGREEMENT. Director Mosley discussed his review of the Tax Assessor-Collector Agreement. He stated the District's tax collection has improved each year. Director Mosley added that Barbara Wheeler has retired. He recommended retaining Wheeler & Associates, Inc. as the District's tax assessor-collector.

Following further discussion, it was moved by Director Goodie and seconded by Director Kelley to retain Wheeler & Associates, Inc. as the District's tax assessor-collector, which motion carried unanimously.

9. REVIEW OF DELINQUENT TAX AGREEMENT. Directors Goodie and Givens met with Greg East to review the delinquent tax agreement. Directors Goodie and Givens recommended continuing services with Perdue Brandon Fielder Collins & Mott.

Following further discussion, it was moved by Director Givens and seconded by Director Mosley to retain Perdue Brandon Fielder Collins & Mott, LLP as the District's delinquent tax attorney, which motion carried unanimously.

Director Mattox left the meeting at this time.

10. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luvano presented the tax report for November, a copy of which is attached as Exhibit "A". The report reflected the District has collected 3.71% of its 2015 taxes and 98.94% of its 2014 taxes as of November 30, 2015.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley that the tax assessor/collector's report for the month of November be approved, which motion carried unanimously.

11. STRATEGIC PARTNERSHIP AGREEMENT AUDIT REPORT. Ryan Fortner presented the Strategic Partnership Agreement Audit Report for the Board's review. He reported the anticipated revenue for 2015 is \$91,100.00. Mr. Fortner stated the City of Houston has received the required audit filing for the Strategic Partnership Agreement.

Following further discussion, it was moved by Director Mosley and seconded by Director Givens that the Strategic Partnership Agreement Audit Report be approved, which motion carried unanimously.

12. BOOKKEEPER'S REPORT, INVESTMENT REPORT AND PAYMENT OF BILLS. Darrell Hawthorne presented the bookkeeper's report, a copy of which is attached as Exhibit "B".

Following further discussion, a motion was made by Director Kelley and seconded by Director Mosley that the bookkeeper's report be approved, and that the checks listed therein be approved. Said motion carried unanimously.

13. RESOLUTION AUTHORIZING THE USE OF SURPLUS FUNDS. Mr. Richardson presented for approval the Resolution Authorizing the Use of Surplus Funds, a copy of which is attached as Exhibit "C". He explained the Resolution authorizes the use of surplus funds to cover the costs for piping for Lift Station No. 1, roof repairs at the Joint Water Plant, a shade structure at the Joint Water Plant, and repairs at the Joint Sewage Treatment Plant for a total cost of \$101,576.00.

Following further discussion, it was moved by Director Mosley and seconded by Director Givens to approve the Resolution Authorizing the Use of Surplus Funds, which motion carried unanimously.

14. ORDER REVIEWING & CONFIRMING INVESTMENT POLICY. The Board next considered reviewing the Investment Policy. Chris Richardson explained that an annual review of the Investment Policy is required by the Public Funds Investment Act. Mr. Richardson stated the bookkeeper has forwarded an updated list of approved brokers which is attached to the Order Reviewing and Confirming Investment Policy, a copy of which is attached as Exhibit "D". Following further discussion, it was moved by Director Mosley and seconded by Director Kelley to approve the Order Reviewing and Confirming Investment Policy and the updated brokers list, which motion carried unanimously.

15. OPERATOR'S REPORT. Brian Dubiel discussed presented the District's call log.

Mr. Dubiel discussed the Harris County Flood Control District's Report. Director Goodie stated he will include the information in The Flow newsletter so the operator will not have to prepare a flyer to be included with the water bills.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley that the operator's report be approved, which motion carried unanimously.

16. REVIEW OF OPERATING AGREEMENT. The Board tabled this item.

17. ENGINEER'S REPORT. Chris Richardson presented the engineer's report, a copy of which is attached as Exhibit "E". He stated the engineer recommends an assessment of potential wetlands be evaluated on the District Building property during the planning stages.

Mr. Richardson reported the contractor and Harris County Flood Control District have contacted the engineer regarding the force main and sanitary sewer trunk lines in the vicinity of the Phase I Greens Bayou Detention Basin. He also reported construction for Greens Bayou Phase II is planned to begin towards the end of 2016.

Mr. Richardson informed the Board the vegetation is becoming established in the District's Detention Basin.

Following further discussion, a motion was made by Director Mosley, seconded by Director Kelley, and unanimously carried that the engineer's report be approved.

18. PARKS PLAN. The Board tabled this item.

19. REQUEST FROM GREENS BAYOU CORRIDOR COALITION AND HOUSTON NORTHWEST CHAMBER OF COMMERCE. Director Givens discussed the requests to add a voluntary donation for economic development to the water bill. He stated the District's cost will be less than \$1,500 per year. Director Givens recommended limiting the voluntary donation recipients on the bill.

20. OTHER ITEMS. Shanna Lopez, of Waste Management, reviewed the monthly report. She discussed the decrease in recycling activity in October and the increase of recycling activity in November. Ms. Lopez stated she will supply information to Director Goodie for the District's newsletter.

Dayne Burson, of Accurate Meter & Supply, presented a proposal for a Smart Meter System. Director Givens requested information on the cost of a meter without moving parts.

21. **ADJOURNMENT.** There being no further business to come before the Board, it was moved by Director Kelley, seconded by Director Mosley that the Board meeting be adjourned, which motion carried unanimously.

PASSED, ADOPTED and APPROVED this 26th day of January, 2016.



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Christina D. Kelley
Secretary