

**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 regular session, open to the public, at its meeting place inside the boundaries of the District, at 4127 Breckenridge, Houston, Harris County, Texas on September 26, 2017. 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 Mattox arrived late.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Yvonne Luevano of Wheeler & Associates, Inc.; Greg Dubiel of Municipal Operations & Consulting, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Robert Atkinson of Edminster Hinshaw Russ & Associate; Greg Lentz of First Southwest Company; Daniel Pereyra of Environmental Allies; and Denise Smith, District resident.

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

- 1. OPENING PRAYER.** Director Goodie led those assembled in prayer.

2. **MINUTES OF MEETING.** The Board first considered approving the minutes of the meeting of August 22, 2017. It was moved by Director Mosley and seconded by Director Kelley that the minutes of the meeting of August 22, 2017 be approved, which motion carried unanimously, 4-0.

3. **PUBLIC COMMENTS.** Denise Smith asked about the drainage in the detention pond and she asked about sediment in the water. Director Givens explained the white flakes in the water are calcium and it is likely condensed in the hot water heater. Director Kelley stated the elements in the heater can be changed.

4. **DIRECTOR'S REPORTS.** Director Goodie appointed Director Kelley to review the Operating Agreement and Director Givens to review the Bookkeeping Agreement.

Director Goodie informed the Board Conley Elementary has provided dates it is available for the Board to host a Town Hall meeting. The Board agreed to hold the Town Hall meeting on October 19, 2017.

5. **GENERAL MANAGER'S REPORT.** Director Givens presented the General Manager's Report. He reported they will discuss Hurricane Harvey recovery at the Town Hall meeting on October 19, 2017. Director Givens explained the meeting is designed to bring all relevant agencies together such as Harris County Flood Control District, FEMA, Harris County and the U.S. Army Corps of Engineers. He presented for approval an invoice from Aldine ISD in the amount of \$250 to use Conley Elementary School as the meeting location for four hours. Director Givens stated other nearby districts will be invited. Director Goodie stated he will contact Harris County UD No. 14 and Harris County MUD No. 33. Director Givens stated residents in the area will receive information regarding the meeting through the mail.

Director Givens reviewed the District website analytics for the month of August. He also reviewed the “Imagine a Day Without Water” video.

Director Givens next discussed the correspondence with the architects and their proposals, which were submitted for the District building.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley, and unanimously carried that the General Manager’s report be approved, and to approve the invoice from Aldine ISD, 5-0.

6. JOINT OPERATIONS REPORT. The Board reviewed the Joint Water Plant report for September. Director Givens reported the District received a Joint Water Plant bill in the amount of \$20,000 for the repairs of leaking valves at Ground Storage Tanks Nos. 1 and 2. He stated he will remind Harris County UD No. 14 of the need to inform the Board of maintenance expenses above \$5,000.

Director Givens informed the Board Harris County MUD No. 33 is on interconnect again due to poor water issues.

The Joint Wastewater Treatment Plant report was not presented at this time.

7. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luevano presented the tax report for August, a copy of which is attached as Exhibit “A”. The report reflected the District has collected 98.21% of its 2016 taxes and 95.18% of its 2015 taxes as of August 31, 2017.

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the tax assessor/collector's report for the month of August be approved, which motion carried unanimously, 5-0.

8. DELINQUENT TAX REPORT. Ms. Luevano presented the delinquent tax report for the Board's review. She reported the delinquent tax attorney is requesting authorization to send termination letters.

Ms. Luevano reported Tadano Crane has paid its base tax, but the tax office does not yet know if the Harris County Appraisal District made an error on the form. She stated, as a result, the Penalty & Interest may not be collectible.

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley to authorize the delinquent tax attorney to send termination letters to the accounts listed on the report, which motion carried unanimously, 5-0.

9. 2017 TAX RATE. Greg Lentz presented a tax rate analysis, a copy of which is attached as Exhibit "B". He reported the 2016 total tax rate was \$0.76, with a \$0.175 debt rate and a \$0.585 maintenance rate. Mr. Lentz recommends decreasing the debt service tax rate to \$0.15 and increasing the maintenance tax rate to \$0.59 for a total tax rate of \$0.74. He stated this would be a decrease from last year's tax rate.

Following further discussion, it was moved by Director Givens and seconded by Director Mattox to authorize the tax assessor-collector to publish the tax rate, as required by law, with a debt rate of \$0.15 and a maintenance rate of \$0.59 for a total tax rate of \$0.74, and to set a public hearing date of October 24, 2017, which motion carried unanimously.

10. HCAD NOMINATION. The Board next considered approving the Resolution Nominating a Candidate for a Position on the Board of Directors of HCAD. Chris Richardson explained that every two years water districts have the opportunity to nominate a person to run for a position on the HCAD Board of Directors. The Board did not take any action on this item.

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

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, 5-0.

12. OPERATOR'S REPORT. Greg Dubiel presented the monthly operator's report, a copy of which is attached as Exhibit "D". Mr. Dubiel reported there are 946 active connections in the District and no new taps. He also reviewed the preventative maintenance program and the call log.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley that the operator's report be approved, and that the delinquent list be approved, which motion carried unanimously, 5-0.

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

14. DETENTION POND MAINTENANCE REPORT. The Detention Pond Maintenance Report was not presented at this time.

15. ENGINEER'S REPORT. Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "E".

Mr. Atkinson informed the Board the water line that goes through the property with the "Haunted Woods" shows an easement in the plans, but no such easement was ever recorded. He stated Harris County Flood Control District is in the process of condemning the easement property from the landowner.

Mr. Atkinson discussed the Greens Bayou expansion. He stated coordination between the operator and engineer will be ongoing during the construction of Greens Bayou and the detention basin.

Mr. Atkinson reported plans for the hotel project on Veterans Memorial are in the final approval phase at Harris County.

Mr. Atkinson informed the Board the environmental wetlands permit is being processed with the U.S. Army Corps of Engineers through Bio West.

Following further discussion, a motion was made by Director Mosley, seconded by Director Mattox, and unanimously carried that the engineer's report be approved, 5-0.

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

17. FIRST INDUSTRIAL TRACT EASEMENTS AND CONVEYANCES. The Board tabled this item.

18. REVIEW OF LEGAL FEE AGREEMENT. The Board tabled this item.

19. ADJOURNMENT. There being no further business to come before the Board, it was moved by Director Kelley, seconded by Director Goodie that the Board meeting be adjourned, which motion carried unanimously, 5-0.

PASSED, ADOPTED and APPROVED this 24th day of October, 2017.



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Bilzett D. Kelley
Secretary