

**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, Harris County, Texas on September 25, 2018. 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. Directors Goodie and Mattox entered the meeting after public comments.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Greg Dubiel of Municipal Operations & Consulting, Inc.; Yvonne Luevano of Wheeler & Associates; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Robert Atkinson of Edminster Hinshaw Russ & Associates; Travis Benes of Environmental Allies; Greg Lentz of Masterson Advisors, LLC; Kelly Snook of Greens Bayou Coalition; Livvy Esther and Lennis Witchet of Greenfield Village HOA; and Denise Smith, District resident.

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

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

2. **MINUTES OF MEETINGS.** The Board next considered approving the minutes of the meetings of August 21, 2018 and August 28, 2018. It was moved by Director Kelley and seconded by Director Mosley that the minutes of the meetings of August 21, 2018 and August 28, 2018 be approved, which motion carried unanimously, 3-0.

3. **PUBLIC COMMENTS.** Denise Smith had questions for the Board regarding her water bill.

Directors Goodie and Mattox entered the meeting at this time.

4. **DIRECTOR'S REPORTS.** Livvy Esther, President of Greenfield Village HOA, discussed security matters and the letter to the HOA from the District's attorney regarding termination of cost sharing for security patrol invoices. Director Goodie explained the Board heard the security contract with the HOA had been terminated and the Board invited an HOA representative to attend the August Board meeting to discuss security matters. Lennis Witchett stated the HOA had an agreement with the District. Director Givens stated there was not an agreement, only a Resolution by the Board to share in security costs. Mr. Witchett asked why the Board listened to the vendor. Director Givens stated it is not the intent of the Board to terminate the contract before the 60 days listed in the attorney's termination letter. Ms. Esther stated the HOA had cut out the middleman for security services. Director Givens stated the HOA currently does not have an organization as its law enforcement, as contemplated by the Board's Resolution. He explained the Resolution shows a contract with a company, and the history of security was with the Harris County Sheriff or Harris County Constable. Ms. Esther stated they are happy with the current officers. She added that they are licensed commissioned officers. Mr. Witchett stated they would like to reinstate the 50% Resolution arrangement.

Director Goodie asked Ms. Esther if they would ask the officers about the permit and if any coverage exists, and then provide the information for the Board.

5. GENERAL MANAGER'S REPORT. Director Givens presented the General Manager's Report. He then presented the August website analytics for the Board's review.

Director Givens reported IRIS alerts were issued regarding the transition of garbage services. He discussed the IRIS database and expanding the number of customers reachable by text.

Director Givens also reported Phase One of the architectural drawings for the District Building have been completed and Phase Two is pending the results of the pricing document.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley, and unanimously carried that the General Manager's report be approved, 5-0.

6. VOLUNTARY DONATION AGREEMENT WITH GREENS BAYOU COALITION. Kelly Snook of the Greens Bayou Coalition addressed the Board regarding the Voluntary Donation Agreement. Director Givens asked why there is a ten-year term for the donations to be placed on the District's water bill. Ms. Snook stated there is a 30-day notice to terminate. Director Givens stated the Board needs to determine the donation cost to be included on the water bill. Director Goodie suggested \$1.00 or \$1.50. Director Givens noted there is a \$0.35 administration fee.

Following further discussion, it was moved by Director Kelley and seconded by Director Kelley to approve the Voluntary Donation Agreement with the Greens Bayou Coalition, and to include a voluntary donation of \$1.50 on the water bills, which motion carried unanimously, 5-0.

7. **JOINT OPERATIONS REPORT.** The Board reviewed the Joint Water Plant report for September 2018.

8. **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 98.71% of its 2017 taxes and 99.36% of its 2016 taxes as of August 31, 2018.

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

9. **DELINQUENT TAX REPORT.** Ms. Luevano next presented the delinquent tax report, a copy of which is attached as Exhibit "B". She stated the delinquent tax attorney requested authorization to send water termination letters to the accounts indicated on the report.

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

10. **2018 TAX RATE.** Greg Lentz presented a tax rate analysis, a copy of which is attached as Exhibit "C". He reported the 2017 total tax rate was \$0.74, with a \$0.15 debt rate and a \$0.59 maintenance rate. Mr. Lentz recommends decreasing the 2018 debt service tax rate to \$0.145 and decreasing the 2018 maintenance tax rate to \$0.565 for a total tax rate of \$0.71. He stated this would be a decrease from last year's tax rate.

Following further discussion, it was moved by Director Mattox and seconded by Director Mosley to authorize the tax assessor-collector to publish the tax rate, as required by law, with a

debt rate of \$0.145 and a maintenance rate of \$0.565 for a total tax rate of \$0.71, and to set a public hearing date of October 23, 2018, which motion carried unanimously.

11. STRATEGIC PARTNERSHIP AGREEMENT AUDIT REPORT. The Board tabled this item.

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 "D".

Following further discussion, a motion was made by Director Mattox and seconded by Director Kelley that the bookkeeper's report be approved, and that the checks listed therein be approved. Said motion carried unanimously, 5-0.

13. OPERATOR'S REPORT. Greg Dubiel presented the monthly operator's report, a copy of which is attached as Exhibit "E". Mr. Dubiel reported there are 949 active connections in the District, 872 garbage accounts, and 22 accounts that are vacant. He also reported the water accountability is 86%.

Mr. Dubiel reviewed the preventative maintenance program and the call log.

Mr. Dubiel next presented the delinquent list for approval.

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

14. DETENTION POND MAINTENANCE REPORT. Travis Benes presented the Detention Pond Maintenance Report. He stated the detention ponds look good.

Mr. Benes presented a proposal for side slope remediation at the small detention pond on Breckenridge for \$1,250. The Board tabled the proposal.

Mr. Benes next presented the budget for spring and fall overseeding and fertilization of the small detention pond on Breckenridge. The Board tabled the proposal.

Following further discussion, it was moved by Director Mosley and seconded by Director Mattox to approve the Detention Pond Maintenance Report, which motion carried unanimously, 5-0.

15. ENGINEER'S REPORT. Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "F". Mr. Atkinson reported they have received requests for information concerning the possible reopening of the supermarket on Veterans Memorial. He stated a survey would be required to determine the location and size of the grease traps.

Mr. Atkinson discussed the building on 11610 Bammel North Houston Road. He reported the owner has elected to install an additional method of fire protection.

Mr. Atkinson next discussed the Veterans Memorial Drive project. He stated they are continuing to coordinate the utility location with Harris County. Mr. Atkinson added that the project limits of this phase is from Beltway 8 to FM 1960.

Mr. Atkinson discussed the First Industrial Detention Basin. He stated owners have provided all of the documentation and the agreements are being reviewed.

Following further discussion, a motion was made by Director Mattox, seconded by Director Mosley, 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.

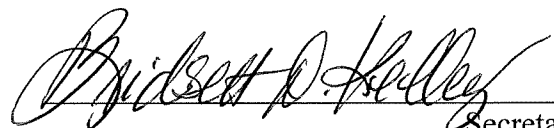
18. REVIEW OF LEGAL FEE AGREEMENT. The Board tabled this item.

19. DIRECTORS ELECTION. Chris Richardson stated since no one other than the two incumbents turned in applications to be on the ballot or declared themselves to be write-in candidates, the Board may cancel the November 6, 2018 Directors Election. The Order Canceling Directors Election and Declaring Election of Unopposed Candidates and related Certification were presented for the Board's review and approval, copies of which are attached as Exhibits "G" and "H", respectively. Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the Order Canceling Directors Election and Declaring Election of Unopposed Candidates be approved, which motion carried unanimously, 5-0.

20. OTHER ITEMS. The Board discussed the request from Kevin Story, the architect for the District building, for a \$19,000 interim payment and in return he will drop his percentage or remainder percentage. Mr. Story indicated if the District pays the interim payment he will decrease the percentage on the value of the building. Director Goodie suggested waiting for more estimates on the District building.

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

PASSED, ADOPTED and APPROVED this 23rd day of October, 2018.


Secretary

