

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 82

September 24, 2018

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 82 (the "District") met in regular session, open to the public, on September 24, 2018, outside the boundaries of the District, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, and the roll was called of the members of the Board:

Jerry Chesnutt	President
Matthew Hoffpauir	Vice President
Don Hays	Secretary
Gary Sundstrom	Assistant Vice President
Jack Abercia, Jr.	Assistant Secretary

and all of the above were present except Director Hays, thus constituting a quorum.

Also present were David Wright and Steve Reifel of TNG Utility Corp. ("TNG"); Michelle Lofton of ETI Bookkeeping Services; Vickey Sullivan of ETI-Tax, Inc.; Erik Spencer of Van De Wiele & Vogler, Inc. ("Van De Wiele"); Robert Moorman of Aurous Development Services, Ltd.; Summer Baxter of Republic Services; Deputy Yvette Esparza of the Harris County Constable's Office; Ed Taravella of Tara Corp.; and Hannah Brook and Sharon Covan of Allen Boone Humphries Robinson LLP ("ABHR").

APPROVE MINUTES

The Board considered approving the minutes of the August 27, 2018, regular meeting. After review and discussion, Director Sundstrom moved to approve the minutes of the meeting. Director Abercia seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

SECURITY AND CONSTABLE'S REPORT

Deputy Esparza reviewed the security report, a copy of which is attached. The Board confirmed its desire to continue with six deputies and one sergeant for the next year. Following review and discussion, upon a motion by Director Hoffpauir and a second by Director Sundstrom, the Board voted unanimously to approve the security report.

## GARBAGE AND RECYCLING

Ms. Baxter distributed the August Customer Service Report, a copy of which is attached.

## OPERATION OF DISTRICT FACILITIES

Mr. Reifel presented the operator's report, a copy of which is attached, and reviewed the Water Production Report, the Esplanade Water Usage Report, and the Billing and Collections Report. Mr. Reifel discussed District operations and maintenance. Discussion ensued regarding the North Harris County Regional Water Authority ("NHCRWA") fees and the report regarding pumpage compared to fees billed and fees collected. Mr. Reifel said TNG will continue to monitor the NHCRWA fees billed and collected.

Mr. Wright said the sewer rate increase effective April, 2017, was not put into effect and the unbilled amount is \$12,341.84. Discussion ensued.

Mr. Wright said there is a discrepancy in the number of customers accounted for in the on-line payment report. He said the report includes all payments except checks. He said the report on on-line utility payments will be reconciled by the next Board meeting.

Director Hoffpauir asked about the status of replacement of the damaged District sign. Mr. Wright said the sign was repaired. Director Hoffpauir asked about the zero dollar amounts listed next to three "credit work orders" on the monthly operations report from TNG. Mr. Reifel said he will investigate this matter.

Following review and discussion, Director Sundstrom moved to approve the operator's report. Director Hoffpauir seconded the motion, which passed unanimously.

## CONDUCT HEARING ON TERMINATION OF WATER SERVICE

Mr. Reifel presented a list of delinquent customers to the Directors and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Sundstrom moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Abercia and passed by unanimous vote.

## AMENDED RATE ORDER

The Board took no action on this matter.

## FINANCIAL AND BOOKKEEPING

Ms. Lofton presented the bookkeeper's report, including the investment report, a copy of which is attached, and reviewed the bills presented for payment. After review and discussion, Director Abercia moved to approve the bookkeeper's report. Director Sundstrom seconded the motion, which passed by unanimous vote.

## ANNUAL REPORT

The Board reviewed the Annual Report. After review and discussion, Director Hoffpauir moved to approve the Annual Report and authorize filing the Report in accordance with the District's Continuing Disclosure of Information Agreement and as required by SEC Rule 15c2-12, subject to final review. Director Abercia seconded the motion, which passed by unanimous vote.

## RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

Ms. Brook said the Texas Public Funds Investment Act requires the Board to annually review its Investment Policy and authorize any amendments. Ms. Brook said the District's consultants do not have any recommended changes to the Investment Policy. After review and discussion, Director Sundstrom moved to make no changes to the Investment Policy, adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Abercia seconded the motion, which passed by unanimous vote.

## RESOLUTION ESTABLISHING AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS

Ms. Brook reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers and the updated list of broker/dealers prepared by the bookkeeper, which was distributed to Board members. After review and discussion, Director Sundstrom moved to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the District's official records. Director Abercia seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTIONS

Ms. Sullivan reviewed the tax assessor/collector's report, a copy of which is attached, and the bills presented for payment. After review and discussion, Director Hoffpauir moved to approve the tax assessor/collector's report. Director Abercia seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

The Board considered setting a tax rate for 2018. Ms. Sullivan said the District published notice to levy a total tax rate of \$0.6750 per \$100 of assessed valuation for 2018.

Director Chesnutt opened the public hearing regarding the District tax rate, and upon no comment from the public, the Board concurred to close the public hearing.

After review and discussion, The Board confirmed its intention that the 2018 tax levy include a debt service component for the calendar year ending December 31, 2018, and a maintenance tax component for the fiscal year ending March 31, 2019. Director Sundstrom moved to adopt the Order Levying Taxes for 2018 containing a total tax rate of \$0.6750 per \$100 of assessed valuation, consisting of \$0.45 for debt service and \$0.225 for operations and maintenance, and direct that the Order be filed appropriately and retained in the District's official records. The motion was seconded by Director Abercia and carried unanimously.

The Board considered approving the Amendment to Information Form reflecting the District's 2018 tax rate. After review and discussion, Director Sundstrom moved to approve the Amendment to Information Form and authorize filing the Information Form with the Texas Commission on Environmental Quality ("TCEQ") and with Harris County, as required by law, and filed appropriately and retained in the District's official records. Director Abercia seconded the motion, which carried unanimously.

ENGINEERING

Mr. Spencer presented the engineering report, a copy of which is attached.

EASEMENTS AND DEEDS, CONSENTS TO ENCROACHMENT, UTILITY COMMITMENTS

There was no discussion on this matter.

BRECKENRIDGE PARK, SECTION 2

Mr. Spencer reported on Breckenridge Park, Section 2. He presented the water, sewer and drainage project Certificate of Acceptance form for execution by the Board. Mr. Spencer said the project is in the Harris County one-year warranty period that ends April 21, 2019.

BRECKENRIDGE PARK, SECTION 1, PARTIAL REPLAT NO. 3, WATER, SEWER AND DRAINAGE

Mr. Spencer reported on Breckenridge Park, Section 1, Partial Replat No. 3, water sewer and drainage. He said the contracts are presented for execution.

BRECKENRIDGE PARK, SECTION 11, WATER, SEWER AND DRAINAGE

Mr. Spencer reported on Breckenridge Park, Section 11, water, sewer and drainage. He said the contractor is addressing the inspection punch list items.

BRECKENRIDGE PARK, SECTION 12

Mr. Spencer reported on Breckenridge Park, Section 12. He said the water, sewer and drainage plans are awaiting Harris County approval. Mr. Spencer said proposals are being solicited for storm water pollution prevention services.

Mr. Spencer said bids were received for clearing and grubbing, Breckenridge Forest, Section 12. He recommended award of the contract to LG&G Construction in the amount of \$57,730.00. The Board concurred that, in its judgement, LG&G Construction was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

BRADBURY FOREST SECTIONS 8, 9 AND 10

Mr. Spencer reported on the remainder of the clearing and grubbing for Bradbury Forest, Sections 8, 9 and 10. He presented and recommended for approval Pay Application No. 2 in the amount of \$68,509.55, submitted by Lindsey Construction.

Mr. Spencer reported on water, sewer and drainage for Bradbury Forest, Sections 8, 9 and 10. He requested authorization to advertise for bids.

Mr. Spencer reported on Bradbury Forest, Sections 8, 9 and 10 detention. He said the contracts are presented for execution.

SANITARY SEWER REPAIRS IN SPRING RIDGE

Mr. Spencer reported on sanitary sewer repairs in Spring Ridge. He presented and recommended for approval Pay Application No. 1 in the amount of \$120,983.40.

### LIFT STATION NO. 3

Discussion ensued regarding lift station no. 3 to serve Spring Independent School District. Mr. Spencer said plans are being prepared.

### WASTEWATER TREATMENT PLANT EXPANSION

Mr. Spencer reported on the wastewater treatment plant expansion. He said preliminary engineering is underway.

### SURPLUS FUNDS

Discussion ensued regarding the use of surplus funds to reimburse the developer for costs associated with Breckenridge Park, Section 2, clearing and grubbing, water, sewer and drainage, detention and land costs. Mr. Spencer said the Summary of Costs has been prepared.

The Board considered adopting a Resolution Authorizing Application to the TCEQ for Use of Surplus Funds. After discussion, Director Sundstrom moved to adopt the Resolution. Director Abercia seconded the motion, which passed by unanimous vote.

### GIS MAPPING

Mr. Spencer said the next GIS mapping update will occur after Breckenridge Park Replat No. 3, Bradbury Forest, Section 8 and Breckenridge Forest, Section 12 are constructed.

### CONNECTION AND CAPACITY UPDATE

Mr. Spencer reported on the equivalent single family connections in the District.

### NORTHSRING RECREATION CENTER DRAINAGE IMPROVEMENTS

Mr. Spencer reported on the Northspring Recreation Center Drainage Improvement Project. He said construction is underway. Mr. Spencer reviewed and recommended approval of Pay Application No. 2 in the amount of \$14,981.40, submitted by Camino Services, and approval for CenterPoint gas relocation in the amount of \$3,512.00.

### DESIGN, CONSTRUCTION AND DEVELOPMENT IN THE DISTRICT

There was no report on this matter.

## BOND APPLICATION

There was no report on this matter.

After review and discussion, and based on the engineer's recommendation, Director Sundstrom moved to: (1) accept the Breckenridge Park, Section 2, water, sewer and drainage project and authorize execution of the Certificate of Acceptance; (2) award the contract for Breckenridge Park, Section 12, clearing and grubbing to LG&G Construction in the amount of \$57,730.00, based on the engineer's recommendation and subject to approval of the bonds, insurance and endorsements, if any, provided by the contractor; (3) approve Pay Application No. 2 in the amount of \$68,509.55 for Bradbury Forest, Sections 8, 9 and 10, clearing and grubbing; (4) authorize advertisement for bids for Bradbury Forest, Sections 8, 9 and 10, water, sewer and drainage; (5) approve Pay Application No. 1 in the amount of \$120,983.40 for sanitary sewer repairs in Spring Ridge; (6) approve of Pay Application No. 2 in the amount of \$14,981.40, and approve the CenterPoint gas relocation in the amount of \$3,512.00 for the Northspring Recreation Center drainage project; and (7) accept the engineer's report. Director Hoffpauir seconded the motion, which passed by unanimous vote.

## ANNEXATION MATTERS

Mr. Spencer said the feasibility report for the RV Resort is being prepared. Mr. Taravella requested an annexation letter agreement for the proposed annexation of an approximately 30-acre tract.

## NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

Director Abercia reported on the NHCRWA.

## WEBSITE

Director Sundstrom reported on the website.

## DEVELOPER'S REPORT

Mr. Taravalla reported on future development in the District and the annexation of land into the District.

## FINANCING AND REIMBURSEMENT AGREEMENTS; ASSIGNMENTS AND CONSENTS TO ASSIGNMENT

There was no discussion on this matter.

## NATIONAL NIGHT OUT

Discussion ensued regarding National Night Out on October 2, 2018, at 6:00 p.m.

ACTION TAKEN DURING THE MONTH

There was no discussion on this matter.

DIRECTOR AND DISTRICT CONSULTANT REPORTS ABOUT DISTRICT OPERATIONS

The Board discussed a date for the annual facilities tour. After discussion, the Board agreed to conduct the facilities tour on October 8, 2018, at 5:00 p.m. and to meet at water plant no. 1.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)



  
Secretary, Board of Directors  
*Assistant*



ACTION LIST

1. TNG and Van de Wiele will prepare internal report regarding electricity consumption and energy efficiency measures.
2. TNG will monitor the NHCRWA pumpage fees.
3. TNG will reconcile the report on on-line utility payments.
4. TNG will investigate the zero credits shown on the monthly operations report.
5. ABHR will file the annual report.
6. ABHR will record and file the Amendment to Information Form.
7. ABHR will prepare annexation agreement.

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