

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
December 18, 2019**

STATE OF TEXAS §
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COUNTY OF HARRIS §

The Board of Directors of Harris County Municipal Utility District No. 191 of Harris County, Texas, met in **special session (rescheduled regular meeting)**, open to the public, beginning at **6:30 PM** at the Champions MPC Clubhouse, 13719 Champions Centre Drive, Houston, Texas 77069, on **December 18, 2019**, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Robert Price	President
Ernest F. Gigliotti	Vice President
Rob Harris	Secretary
Vaughan G. Miller	Treasurer
Ronald Young	Assistant Secretary and Director

and all were present, except Mr. Gigliotti, thus constituting a quorum. Also present were: Rich Rankin of Hays Utility South Corporation; Tim Hardin and Omar Rodriguez of Langford Engineering, Inc. (LEI); James Dougherty, attorney for the District; Patty Rodriguez of Bob Leared Interests; and Ms. Kelly Trebing of Claudia Redden & Associates. Also present was Mr. Mark Eyring, of Mark C. Eyring, CPA, PLLC. Deputy Jose Rivera (joined by Deputy Alex Muniz) of Harris County Precinct 4 Constable’s Office, arrived after 7:00 PM. The President called the meeting to order, and the following business was transacted:

1. Constables, Etc. Later during the meeting, Deputy Rivera presented a written Constables report. There were questions and discussion about a “backside” entry to an apartment project on Champions Centre. Deputy Rivera said the area was very dark. He also mentioned an assault incident near Dotson Road, apparently involving squatters in an old building.

2. Regular Subjects, Minutes and Consent Agenda

a. Bookkeeping and financial matters. Ms. Trebing presented the bookkeeper’s report with checks that had been prepared to pay bills. After review and questions, it was duly moved and seconded to accept the report and authorize the prepared checks to be paid. All voted in favor. The authorized checks were signed during the meeting.

The President recognized Mr. Eyring. He presented the draft annual financial (audit) report and described the scope of the audit and the type of opinion issued (a so-called “clean” opinion). There was a discussion of how to describe and handle reserve balances. After discussion, there was a motion to designate: (i) an operating reserve equal to 12-months of estimated expenses, (ii) a reserve for contingencies equal to \$300,000, and (iii) a reserve for repairs, replacements and improvements equal to the remainder of the “unassigned” balance. The motion was seconded and adopted. Next, Director Harris moved to approve the annual financial (audit) report, with the changes discussed, and authorize the President to sign the representation letter. Director Miller seconded, and all voted in favor.

b. Tax Assessor-Collector. Ms. Rodriguez presented the Tax Assessor-Collector’s report. There was a question about a drop in taxable value several years earlier. Ms. Rodriguez explained that it was caused by the correction of a large, erroneous personal property account. She reported that 2018 taxes were 98.992% collected. It was duly moved and seconded to accept the report and authorize the prepared tax-account checks to be paid, and all voted in favor. The authorized checks were signed during the meeting.

c. Legal matters. Mr. Dougherty reported on election preparations. It was duly moved and seconded to approve the designation of an agent for election purposes by the Secretary, also to authorize the advertisement relating to accessible/electronic voting equipment. All voted in favor.

d. Utility operations. Mr. Rankin presented and reviewed the operations report. He mentioned maintenance of lift stations, including pumps and repair records. Mr. Hardin described problems that can affect the pumps, including infiltration of dirt, sand, rags and other materials. He said the asset management program would include information that would help. There were also questions about the collapsed manhole and possible accumulations of material in it.

The President opened a public hearing for any persons present to be heard to show cause why their water service should not be terminated for non-payment of utility bills. The operator reported that the hearing notice was given for each account on the list of proposed terminations. It was noted that no persons were present to be heard, and the public hearing was closed. The operator recommended service terminations for the accounts on the list in accordance with the District's standard operating procedures. It was then duly moved and seconded that: (i) the amount shown for each account on the list of proposed service terminations be found to be correct, (ii) although notice of that night's hearing was given to each person on the list, no one appeared, and (iii) water service be authorized to be terminated to the accounts listed, in accordance with the District's standard operating procedures, except the B. Jones account and any health care facilities. The motion carried by unanimous vote.

It was duly moved and seconded to approve the Operator's report. All voted in favor.

e. Minutes. Mr. Dougherty submitted draft minutes for the meeting held November 20, 2019 and a correction to the September 25, 2019 minutes (so that they would refer to "additional checks" prepared by the bookkeeper). It was duly moved and seconded to approve the November minutes as submitted and make the correction to the September minutes. The motion passed unanimously.

3. Water and Sewer Matters. Earlier in the meeting, the President reported on the partial refund of the \$16,692 special deposit made by the Le-Vu Family Partnership under a 2015 memorandum. He also updated on the Board on the reconciliation of other amounts deposited and expenses incurred. It appeared that there would be a need to bill an excess of expenses over deposits, when the figures are confirmed. The President indicated that he would bring the figures back to the Board in January. There was also a discussion about new procedures to handle developer accounts in the future.

4. Engineering & Projects. Mr. Hardin presented the engineer's report. There was a discussion of easement encroachments at the proposed new shopping center development at the corner of Cutten Road and Cockrum. After discussion, it was moved and seconded to authorize the President to sign an acquiescence to the encroachments, subject to protective conditions (including an obligation by the owner to bear increased costs incurred by the District). The motion passed unanimously.

Mr. Hardin also discussed the project to extend a sanitary sewer line around the Mousa property on Cutten Road. There was a discussion about contractual arrangements, engineering review and inspections. After discussion, Director Harris moved to authorize the President to approve and execute an agreement with Mr. Mousa to include: (i) authorization for Mr. Mousa to have the line designed and constructed, subject to review and approval of the plans by the District Engineer, (ii) construction observation and testing to be provided by the District Engineer, and (iii) a requirement that the line be televised and approved before acceptance. Director Miller seconded, and all voted in favor.

Next, Mr. Hardin updated the Board on work that LEI was doing on relocation of utilities along FM 1960. He and Mr. Rodriguez presented maps showing various routing options, also new easements that would be required. There was an extended discussion of the issues involved in relocation, including the need to preserve looping and fire protection. Mr. Hardin said LEI would continue refining the options.

Mr. Hardin updated the Board on discussions with the management of the Carrington Apartments where the manhole had collapsed.

5. *Energy, Streetlights, Etc.* There was no action taken.

6. *FM 1960 Project.* There was extended discussion (see above), but no action was taken.

7. *Records, Communications, Meetings, Etc.* The President briefed the Board on the District's records kept at the Veritrust storage facility and the plan to search some of them for records relating to the FM 1960 project.

(*Adjournment*). The meeting adjourned at approximately 8:55 PM.

(SEAL)


Secretary, Board of Directors