

MINUTES OF MEETING OF BOARD OF DIRECTORS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 396
March 18, 2019

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 396

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The board of directors (the "Board") of Harris County Municipal Utility District No. 396 (the "District") met in special session, open to the public, at Lakeside Trails Clubhouse, 16125 Country Fair Ln., Cypress, Texas 77433, on March 18, 2019, at 12:00 p.m.; whereupon the roll was called of the directors, to-wit:

Aldru Todd Aaron, President
Michael Brewer, Vice President
Chelsea Florack, Secretary
Tim Applewhite, Treasurer
James Brown, Assistant Secretary

All members of the Board were present. Also attending all or portions of the meeting were Ms. Kim Shelnett of Myrtle Cruz, Inc., Bookkeeper for the District; Ms. Cindy Fields of Brown & Gay Engineers, Inc. ("BGE"), Engineer for the District; Ms. Janet Dolan of Inframark Water Infrastructure Operations ("Inframark"), Operators for the District; Mr. Charles Tate, Mr. Andrew Lawrence and Mr. and Mrs. Bill Wilson, residents of the District; and Ms. Kathleen Ellison and Ms. Amanda Dykmann of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

The meeting was called to order and, in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as Exhibit "A", the following business was transacted:

1. **Minutes.** The President opened discussion of the minutes of the meeting of February 13, 2019, previously distributed to the Board. Upon motion by Director Brown, seconded by Director Florack, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of February 13, 2019, as presented.

2. **Public Comments (3 minute limit).** The President welcomed residents to the meeting. The residents thanked the Board for what they do for the District. Mr. Lawrence recommended the Board put inserts in the bill to publicize meetings in Fairfield and discontinue the fee for auto-pay of bills.

3. **Approve any action in connection with Bonds.** Ms. Ellison reported the Bonds close next Tuesday, March 26, 2019.

4. **Tax Assessor-Collector's Report, payment of bills, including any necessary requests for estimates of value, and water termination.** The Board reviewed the Tax Assessor-Collector's Report for February, a copy of which is attached hereto as Exhibit "B." Ms. Dykmann reported Ms. Goin could not attend the meeting and sent NRF the report and checks for the Board's approval.

Upon motion by Director Brown, seconded by Director Florack, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor-Collector's Report and to authorize the expenditures listed therein.

5. Operator's Report, authorization of maintenance and termination of accounts. The President recognized Ms. Dolan, who presented to and reviewed with the Board the Operator's Report for February, a copy of which is attached hereto as Exhibit "C."

Ms. Dolan stated that the Fairfield Districts' accountability for February was 101%.

Ms. Dolan stated that there are 29 delinquent accounts that will be tagged on March 14 and turned off on March 21.

Ms. Dolan requested the Board's approval to send one account to collections in the amount of \$151.19.

Ms. Dolan reviewed the Fairfield call report and the District call report with the Board.

Ms. Dolan reported there is a resident who wants to move his meter in order to expand his driveway and is waiting for HOA approval. She said the resident will be paying the expense to move the meter. Discussion ensued.

Upon motion by Director Brown, seconded by Director Applewhite, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's Report, to terminate the delinquent accounts in accordance with the rate order, and approve the resident moving their meter contingent upon HOA approval and the resident incurring all costs for the relocation.

6. Engineer's Report, authorization of any necessary engineering work or stormwater pollution prevention services. The President recognized Ms. Fields, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "D."

Ms. Fields reported the one-year warranty inspection for the Lift Station Generator was held on March 4 and the contractor is addressing minor punchlist items.

Ms. Fields reported the District received a request for water service from WaterEngineers, Inc. to serve the proposed HCMUD 565 residential development located along Becker Road between Botkins and Baur Hockley. She said the request is required by TCEQ and BGE responded that service is not available.

Ms. Fields reported the cleaning and televising of the three oldest portions of the Regional sanitary sewer on Mason Road are complete. She stated there was a large amount of construction debris and sand removed during the cleaning process. She said Inframark will be resealing a few pipe interfaces with manholes showing signs of infiltration.

Ms. Fields reported BGE reviewed proposed sitework plans for the final phase of Town Center located in HCMUD 358. She said there is not a confirmed tenant list at this time.

Upon motion by Director Brown, seconded by Director Florack, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report.

7. **Report on Joint Operations Council ("JOC").** Director Brown reported on various topics from the Joint Operations meeting. Discussion ensued regarding the new signs at the detention ponds.

8. **Report on SB625 filing.** Ms. Ellison reported the District is required to submit financial and tax-related information to the Comptroller by March 31, 2019. She noted NRF will complete the filing for the District

9. **Other Consultant and Director Reports.** Director Applewhite reported the sidewalk project has not started yet. He said he spoke to Mr. Henn and weather permitting, construction should start any day.

10. **Next meeting date.** The Board set a tentative meeting date of April 10, 2019. President Aaron stated he will not be in attendance at the April meeting.

11. **Approve Bookkeeper's Report, Payment of Bills, Including Review of Budget, Investment Report and Policy, and Any Necessary Changes.** The President recognized Ms. Shelnut, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "E." Ms. Shelnut presented eighteen checks and six deposit refunds for the Board's approval.

Upon motion by Director Brown, seconded by Director Florack, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report and to authorize payment of the expenditures listed therein.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on April 10, 2019.



Vice President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

