

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

Minutes of Board of Directors Meeting

Date: March 23, 2017

The Board of Directors (the “Board” or “Directors”) of Harris County Municipal Utility District No. 50 (the “District”) met in regular session, at 12900 Crosby Lynchburg Road, Barrett Station, Texas 77532, at 6:00 p.m., on Thursday, March 23, 2017, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Martin Lemond	President
Simone Green	Vice President
Alice Dangerfield	Secretary
Daryl G. Johnson	Assistant Secretary/Investment Officer
Andrew Sonnier	Director

All members of the Board were present, thus constituting a quorum. Also present were Ms. Jaleesa Auzenne, (“Executive Director”); Ms. June Muth of San Jacinto Tax Services Co., (“Tax Assessor-Collector”) L.L.C.; Ms. Kandy Pfeffer of ETI Bookkeeping Services (“Bookkeeper”); Mr. Derick Mendoza and Mr. Barry Colbert of Linebarger Goggan Blair & Sampson, LLP., (“Delinquent Tax Attorney”); Mr. John Hall, Public Affairs; and Mr. Tim Hessler of ACT.

The Vice President, after finding that notice of the meeting was posted as required by law, and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may come before it.

1. Public Comment. The Vice President then opened the meeting to public comment. As there were no public comments offered, the Vice President directed the Board to proceed with the agenda.
2. Smart Meter Presentation by Mr. Tim Hessler (ACT). Mr. Hessler presented RG3 smart meters to the Board and all present.
 - a. Mr. Hessler’s presentation highlighted the versatility, compatibility, types, and more regarding RG3 smart meters. At the conclusion of the presentation Mr. Hessler provided the Board with a proposal for RG3 meters. Director Sonnier inquired about the difference between AMR and AMI. The presentation was concluded.

Mr. Hessler then exited the meeting at this time. Director Lemond entered the meeting at this time.

3. John Hall Public Affairs Report. No report.
4. Bookkeeper’s Report. Ms. Pfeffer presented the Bookkeeper’s Report and Investment Report for February 2017.

- a. Ms. Pfeffer first updated the Board on the General Operating Fund.
- b. Ms. Pfeffer next presented checks written, to be approved from General Operating Fund and no unusual checks were brought to the Board's attention.
- c. Ms. Pfeffer then updated the Board on the Operating Reserve Fund.
- d. Ms. Pfeffer discussed the Capital Projects Fund. A payment was reflected under the Series 2015 to Cobb Fendley.
- e. Ms. Pfeffer reviewed the outstanding 2012 DFund, 2015 CWSRF and 2016 DWSRF bond series.
- f. Then, Ms. Pfeffer reviewed the Debt Service Fund and Investment Report.
- g. The current budget was then reviewed by Ms. Pfeffer. The draft budget no. 2 was then presented to board for review. Ms. Pfeffer discussed areas of concern and the Board discussed strategies to balance the budget.

Upon a **motion** by Director Sonnier, seconded by Director Johnson, after full discussion with all present Directors present voting aye, the Board approved the Bookkeeper's Report, as presented; authorized payment of checks numbered 11391 through 11458 from the General Operating Fund; authorized payment of check numbered 1007 from the Capital Projects Fund.

5. Delinquent Tax Attorney.

- a. Mr. Mendoza first presented the Top 40 Delinquent Tax Roll. He then explained the status of the accounts.
- b. Mr. Mendoza then discussed various collection procedures for delinquent accounts. The Board inquired about how delinquent properties go to sale and what are the various tax entities roles in the collection process. Mr. Mendoza responded to these inquiries and Mr. Colbert suggested a resolution for public resale allowing the firm to move forward on selected delinquent accounts. The Board then decided they would like to take the lead on suit for certain delinquent accounts and Mr. Mendoza suggested prioritizing delinquent accounts.

Upon a **motion** by Director Johnson, seconded by Director Sonnier, after full discussion with all present Directors present voting aye, the Board approved the Delinquent Tax Attorney's Report, as presented; authorized the Delinquent Tax Attorney to move forward with suit on eligible delinquent accounts, to be determined upon presentation by the Delinquent Tax Attorney.

6. Tax Assessor/Collector's Report. The Tax Assessor-Collector's Report for the month of February 2017 was presented by Ms. Muth.

- a. Ms. Muth reviewed the Tax Data Collection Report and reported that 71.66 % of the 2016 taxes have been collected and 89.48% of the 2015 taxes have been collected.
- b. There were no delinquent account adjustments and write-offs presented.

Upon **motion** by Director Johnson, seconded by Director Sonnier, after full discussion with all Directors present voting aye, the Board approved the Tax Assessor-Collector's Report, as presented; authorized payment of checks numbered 1183 through 1187.

7. Executive Director's Report.

- a. Ms. Auzenne first presented the pump test report for Well #2 (St. Charles) replacement. She then indicated that \$17,000 should be budgeted for the replacement of the pump. The Board requested we note the warranty included for replacing the pump.
- b. Ms. Auzenne then presented the customer notice of amendments to District's Rate Order for comments and revisions by the Board. The Board provided revisions and comments to be made prior to the notice being mailed to customers.
- c. Ms. Auzenne then submitted the request from Barrett Station Civic League for the District to be a sponsor the 2017 Homecoming. She informed the Board the sponsorship request is for \$2,000.

Upon **motion** by Direction Dangerfield, seconded by Director Sonnier, after full discussion with all Directors present voting aye, the Board approved the replacement of pump for Well #2; approved the customer notice of amendments to District's Rate Order with revisions provided by Board; approved the request from the Barrett Station Civic League to be a sponsor for the 2017 Homecoming at the sponsorship cost of \$2,000.

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

PASSED and APPROVED this the 2nd day of May, 2017.



Alvin Dangerfield
Secretary, Board of Directors