

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

MINUTES OF MEETING OF BOARD OF DIRECTORS

FEBRUARY 7, 2017

The Board of Directors (the "Board" or "Directors") of Harris County Municipal Utility District No. 50 (the "District") met in regular session, at 6:00 p.m., at 12900 Crosby Lynchburg Road, Barrett Station, Texas 77532, on Tuesday, February 7, 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 Johnson	Assistant Secretary/Investment Officer
Andrew Sonnier	Director

All members of the Board were present. Also present were Jaleesa Auzenne ("Executive Director"); John Hall of John Hall Public Affairs ("Interim Executive Director"); John Montgomery of Municipal Operations & Consulting, Inc. ("MOC"); Amber Hurd of Cobb Fendley & Associates, Inc. ("Engineer" or "CobbFendley"); residents Ammie and Luckes Jackson; resident Mr. Williams; and Ross J. Radcliffe and Joshua J. Ellery of Radcliffe Bobbitt Adams Polley PLLC ("Attorney" or "RBAP").

The 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 President then opened the meeting to public comment.
 - a. Mr. Jackson indicated that when heavy rains occur they are unable to flush their toilets at their home at 11918 Saint Martin. The President directed Mr. Montgomery to investigate this situation.
 - b. Mr. Williams asked for an estimated cost for a line to service his property at 13314 Crosby-Lynchburg.

As there were no public comments offered, the President directed the Board to proceed with the agenda.

2. Strategic Plan. The President next directed the consultants to provide their updates to the District's Strategic Plan, a copy of which is attached hereto. The consultants provided updates as indicated as follows:

a. WATER SYSTEM

- (1) Monthly Water Operations Report
 - (a) Compliance Issues

- (b) Water System Repairs
Update: Mr. Montgomery had no additional items to discuss.
 - (c) Flushing Report
Update: Mr. Montgomery reported that flushing was completed by Frankie Garcia.
 - (d) Harris County FM 2100, Phase 2, Widening Project Report
 - (e) Harris County FM 2100, Phase 3, Widening Project Report
Update: Ms. Hurd reported that the District overall utility maps were sent to RG Miller.
 - (f) TxDot FM 2100 Expansion Report
 - (g) Approve distribution of Drinking Water Quality Report (CCR)
- (2) Water Conservation Program
- (a) Water Accountability Report
Update: Mr. Montgomery reported that accountability is at 88%, but 91% with the inclusion of leaks and flushing water.
 - (b) Meter Replacement
Update: Mr. Montgomery reported that he does not have an update regarding progress from the District's staff.
 - (c) Leak Detection/Water System Repair [*DFund \$200,000 Series 2012 surplus*]
 - (d) Public Education (bill inserts, water kits)
Update: Mr. Montgomery reported that he will provide District staff with a water conservation flyer for the March 2017 billing.
- (3) Water System Improvements [*DWSRF \$3,500,000 Series 2016*]
- (a) Proposed improvements
 - i. Crosby-Lynchburg Water Plant (upgrades to booster pumps, generator, electrical service, new pump and chemical building)
 - ii. St. Charles Water Plant (upgrades to booster pumps, generator, electrical service, new pump and chemical building, new 80,000 ground storage tank and new hydropneumatic tank, and property acquisition).
Update: Mr. Montgomery reported that during the storms of the week of December 17 through December 20, 2017, a surge of unknown origin caused the 100-amp breaker to get hot and melt. Mr. Montgomery further reported that when the new breaker was installed and the well was started back up, there was excessive current imbalance between the different phases. Mr. Montgomery indicated that he has asked three (3) contractors to pull the well for evaluation of pump and motor.
 - iii. Magnolia Water Plant (Well No. 3)
Update: Mr. Montgomery reported that as discussed at the last meeting, the District was experiencing voltage problems with CenterPoint Electric ("CenterPoint"). Mr. Montgomery reported that CenterPoint installed a separate feed to the Magnolia Water Plant. Mr. Montgomery added that Hildebrandt water services to restart the well backup on February 3, 2017 because that will allow the District to continue the warranty on the motor.
 - iv. 8-inch and 12-inch Water Plant feeder lines
 - v. Reimbursement for completed inspections

b. WASTEWATER SYSTEM

(1) Monthly Wastewater Operations Report

- (a) Compliance Issues/Discharge Permit

Update: Mr. Montgomery reported that the District experienced 2.27 inches of rainfall in January. Mr. Montgomery went on to report that the plant is operating at 55%.

- (b) Compliance/EPA
(c) Wastewater System Repairs

Update: Mr. Montgomery reported that he has been working with CobbFendley on various scenarios regarding the infiltration issues.

- (d) Sanitary Sewer Overflow Program

Update: Mr. Montgomery reported that there were three (3) SSOs: two (2) at 12704 Crosby-Lynchburg and one (1) at 922 Magnolia.

(2) Wastewater Treatment Plant No. 1

- (a) Future Expansion
(b) Right-of-way access to Hwy 90

(3) Wastewater System Improvements

- (a) Wastewater Treatment Plant No. 2 [*CWSRF \$2,460,000 Series 2015*]

- (b) **Update:** Ms. Hurd reported that the TWDB has approved procurement of CobbFendley for design of WWTP No. 2 and presented a proposal for design, bidding and construction administration services.

- (c) Outfall Force Main (STP 2 to drainage ditch adjacent to Kodiak Crossing)

- (d) Sanitary Sewer Lines [*DFund \$1,350,000 Series 2013 surplus (\$80,000) and CWSRF \$2,460,000 Series 2015*]

Update: Ms. Hurd reported that MagnaFlow has submitted the Post-TV inspections and CobbFendley is comparing the Pre- and Post-TV videos to verify that point repairs are complete. Budget breakdown:

TWDB Budget (DFund Series 2013)	\$ 80,000
TWDB Budget (CWSRF Series 2015)	<u>\$611,640</u>
TWDB Budget	\$691,640
Original Contract Value	\$471,346
Total Change Orders	\$ 55,757
Total Contract Value	\$473,103
Remaining Loan Funds	\$218,537
Total Contract Value	\$473,103.00
Total Paid to Date (1-6)	\$355,385.70
Remaining in Contract	\$117,717.30

c. PENDING/POTENTIAL DEVELOPMENT

(1) Barrett Station

- (a) New service connections

Update: Three (3) new taps during month.

(2) Kodiak Crossing

- (a) Section One
- i. Water, Sanitary Sewer & Drainage
 - ii. Detention Pond Phase I
 - iii. Lift Station Project

iv. New service connections

Update: Mr. Montgomery reported two (2) new sewer taps and eleven (11) water taps.

(b) Section Two

Update: Ms. Hurd reported that the developer will be requesting a utility commitment for 120 lots in Section Two.

(3) RV Park Developments

(a) RV Park near Thompson Apartments

(4) Tractor Supply (North of Hwy. 90)

(5) Thomas Apartment Expansion (FM 1942)

(6) Potential New Residential Subdivisions

(7) Pendleton/Motel Development (North of Hwy. 90)

(8) Miscellaneous Development

d. ADMINISTRATIVE ISSUES

(1) Discuss District name change

(2) Discuss updates to Strategic Plan

(3) Administrative Building

(4) Consent Decree

(5) Harris-Galveston Subsidence District

(6) Groundwater Conservation Plan (Harris-Galveston Subsidence District)

UPDATE: Ms. Hurd reported that CobbFendley is preparing the annual update on the Water Conservation Plan that is due to HGSD in February and will complete the required application to the Texas Water Development Board to get into their system for funding for the construction of an Administration Building.

Actions Taken:

- a. A discussion ensued regarding an emergency televising project on the District's sanitary sewer system. Ms. Hurd and Mr. Montgomery concurred that the safe and sanitary conditions of the District's customers cannot be reasonable anticipated, unless the sanitary sewer system is televised without delay to determine and then alleviate inflow and infiltration that will likely occur during heavy rains. Upon **motion** by Director Johnson, seconded by Director Sonnier, after full discussion and with all directors present voting aye, the Board authorized the televising of the remaining sanitary sewer system not recently televised, approximately 2/3 of the District, at a price not to exceed \$140,000. Upon **motion** by Director Sonnier, seconded by Director Dangerfield, after full discussion and with all directors present voting aye, the Board authorized Mr. Radcliffe to submit a request for approval of this emergency project to the Texas Commission on Environmental Quality.
- b. Upon **motion** by Director Sonnier, seconded by Director Green, after full discussion and with all directors present voting aye, the Board authorized Ms. Hurd to submit the Annual Report on the District's Groundwater Conservation Plan to the Harris Galveston Subsidence District.

- c. Upon **motion** by Director Sonnier, seconded by Director Johnson, after full discussion and with all directors present voting aye, except Director Green voting nay, the Board authorized the installation of electronic digital meters throughout the District at the earliest opportunity.
- d. Upon **motion** by Director Green, seconded by Director Sonnier, after full discussion and with all directors present voting aye, the Board authorized the Mr. Hall to explore opportunities with the City of Houston to meet the District's groundwater reduction requirements.
- e. Upon **motion** by Director Green, seconded by Director Johnson, after full discussion and with all directors present voting aye, the Board approved the work authorization for Cobb Fendley for design, bidding and construction administration services related to the Wastewater Treatment Plant No. 2 project at a cost not to exceed \$136,000.
- f. Upon **motion** by Director Sonnier, seconded by Director Green, after full discussion and with all directors present voting aye, the Board accepted the proposal from Bussell & Sons for work on Well No. 2 (Magnolia) at a cost not to exceed \$3,500.

Director Dangerfield left at this time.

Upon **motion** by Director Sonnier, seconded by Director Johnson, after full discussion and with all Directors present voting aye, the Board approved the Strategic Plan Update, as presented.

3. Executive Director's Report. Ms. Auzenne presented the Executive Director's Report.

- a. Ms. Auzenne discussed the quarterly consultant meetings at the Attorney's Office and consultant phone conferences on the other months.
- b. Ms. Auzenne presented the 60-Day Cut-Off Report, a copy of which is attached hereto. Upon a **motion** by Director Johnson, seconded by Director Sonnier, after full discussion and with all Directors present voting aye, the Board approved the 60-Day Cut-Off Report.
- c. Ms. Auzenne then presented the Operations Report, a copy of which is attached hereto.
- d. Upon **motion** by Director Sonnier, seconded by Director Johnson, after full discussion and with all directors present voting aye, the Board authorized Directors to attend the Post-Issuance Tax Compliance Training, if they choose to attend on behalf of the District.

4. Approval of Minutes of Prior Meetings. The Board next considered approval of the minutes of the regular meetings of December 19, 2016, January 3, 2017 and January 23, 2017. Upon a **motion** by Director Sonnier, seconded by Director Green, after full discussion and with all Directors present voting aye, the Board approved the minutes, as presented.

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

PASSED and **APPROVED** this the 7th day of March, 2017.


Secretary, Board of Directors