

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 26
Minutes of Meeting of Board of Directors
December 11, 2018

The Board of Directors of Harris County Municipal Utility District No. 26 met at 20810 Lee Road, Humble, Harris County, Texas on December 11, 2018, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

James "Ray" Boudreaux, President
Floyd Green, Vice President
James Buchanan, Secretary
Jake Wofford, Assistant Secretary
Keith McKeand, Director

and all such persons were present, with the exception of Director Green, thus constituting a quorum.

Also present were Bradley Jenkins and Mason Mueller of Jones & Carter, Inc. ("Jones and Carter"); Cindi Oliver of Equi-Tax, Inc. ("Equi-Tax"); Bill Russell of Myrtle Cruz, Inc. ("MCI"), who entered later in the meeting as noted herein; Mike Williams and Lonnie Wright of Municipal Operations and Consulting, Inc. ("MOC"); Barbara Nussa of Republic Services, Inc. ("Republic"); Sergeant Hinkel and Officer Torres of the Harris County Precinct Four Constable's Office ("HCP4"); Frank Ross and Sarah Barah, residents of the District; and Spencer Creed of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might come before it.

APPROVAL OF MINUTES

The Board considered approval of the minutes of the November 13, 2018, Board of Directors meeting. Following discussion, Director Buchanan moved that the minutes of the November 13, 2018, Board meeting be approved, as written. Director McKeand seconded the motion, which unanimously carried.

HARRIS COUNTY PRECINCT FOUR CONSTABLE'S OFFICE SECURITY REPORT

Officer Torres then presented and reviewed the HCP4 security report for the month of November 2018, a copy of which is attached hereto as **Exhibit A**, and responded to questions from the Board and public. The Board discussed making a request that Harris County promote an eligible officer currently assigned to the Interlocal Agreement for Law Enforcement Services between the District and Harris County (the "Agreement") to the position of Sergeant to allow for the presence of a supervising officer on the night shift. Following discussion on the matter, Director Buchanan moved that SPH be authorized to prepare and send a request to Harris County for the promotion of an eligible officer currently assigned to the Agreement to the position of Sergeant, and that such change be incorporated into the upcoming renewal of the Agreement. Director McKeand seconded the motion, which unanimously carried.

Sergeant Hinkel and Officer Torres exited the meeting at this time.

COMMENTS FROM THE PUBLIC

Ms. Barah made an inquiry regarding matters related to tax deferrals for persons sixty-five years of age or older, to which Ms. Oliver and Mr. Creed responded.

Director McKeand addressed the Board concerning the North Harris County Regional Water Authority's proposed increase in groundwater reduction plan fees to be effective as of April 1, 2019. No action was taken by the Board at this time.

Mr. Russell entered the meeting at this time.

REPUBLIC SERVICES, INC.

As the next order of business, the Board considered a report from Republic concerning solid waste collection activities within the District. Ms. Nussa reviewed with the Board the Customer Service Report, a copy of which is attached hereto as **Exhibit B**. No action was taken by the Board at this time.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Oliver then presented and reviewed the tax assessor-collector's report for November 2018, a copy of which is attached hereto as **Exhibit C**, including the checks presented for payment. After discussion, Director McKeand moved that the tax assessor's report be approved as presented, including the listed disbursements. Director Buchanan seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

With respect to the review of a Delinquent Tax Report from the District's delinquent tax collections attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), Mr. Creed reminded the Board that Perdue provides written reports on a semi-annual basis and stated that no report was received for the current period.

DEVELOPER'S REPORT

It was noted that no developers of the District were present at the meeting.

UTILITY COMMITMENT REQUEST(S)

Mr. Creed next reported that the District has not received any new requests for utility commitments.

ENGINEERING REPORT

As the next order of business, the Board considered the engineering report. Mr. Mueller presented to and reviewed with the Board a written engineering report dated December 11, 2018,

a copy of which is attached hereto as **Exhibit D**, relative to the status of various projects within the District, and reported as reflected therein. Following discussion of the engineer's report, it was moved by Director McKeand, seconded by Director Buchanan and unanimously carried that the engineering report be approved, including the approval of a Water Meter Easement to serve the gun range facility to be located within the District.

Mr. Mueller next advised the Board of an increase in Jones & Carter's hourly rates, effective as of January 1, 2019. He distributed and reviewed with the Board a schedule of the hourly rates, a copy of which is attached to the engineering report.

STATUS OF APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") FOR APPROVAL OF PROJECT AND BONDS

The Board next discussed the status of the District's application to the TCEQ for approval of project and bonds in connection with the District's Unlimited Tax Bonds, Series 2019. Mr. Mueller advised that Jones & Carter is in the process of addressing comments to the bond application report and expects to complete the application this month.

LEASE AGREEMENT BETWEEN THE DISTRICT AND T-MOBILE

Mr. Mueller reminded the Board that Jones & Carter has reviewed T-Mobile's site layout detailing the location of the proposed antenna and supporting equipment at Water Plant No. 3, and that they have no comments to the proposed layout. He advised that T-Mobile has recently responded to SPH's comments provided to the proposed form of lease agreement and that Jones & Carter has forwarded T-Mobile's response to SPH for review. Mr. Creed noted that such comments are currently under review.

AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT BETWEEN THE DISTRICT AND CLEAR WIRELESS, LLC

The Board next considered the approval of the First Amendment to Communication site Lease Agreement (Water Tank) (the "First Amendment") between the District and Clear Wireless, LLC ("Clear Wireless"), in connection with a revised layout for equipment installed at Water Plant No. 3. Mr. Creed reviewed SPH's proposed form of First Amendment with the Board and noted certain areas where it differs from the version provided by Clear Wireless. Following discussion, Director Buchanan moved that the First Amendment, a copy of which is attached hereto as **Exhibit E**, be approved, subject to its acceptance by Clear Wireless, and that the President be authorized to execute same on behalf of the Board and the District. Director Wofford seconded the motion, which unanimously carried.

OPERATION AND MAINTENANCE REPORT

Mr. Williams then presented to and reviewed with the Board the operations and maintenance report for the month of November 2018, a copy of which is attached hereto as **Exhibit F**.

Mr. Williams recommended that the Board consider authorizing MOC to move certain delinquent accounts in the total amount of \$2,405.97 to the uncollectible roll, such accounts

being listed on the District Write-Offs Report, a copy of which is attached to the operations and maintenance report. After further discussion, it was moved by Director McKeand, seconded by Director Buchanan and unanimously carried, that such accounts be moved to the uncollectible roll as recommended by MOC.

BOOKKEEPING REPORT AND PAYMENT OF BILLS

As the next order of business, Mr. Russel presented to and reviewed with the Board the bookkeeping report prepared by MCI, including the checks presented for payment from the District's various accounts, the budget for the fiscal year to date, the investment report and the pledged security report, copies of which are attached hereto as **Exhibit G**. After further discussion on the matter, Director Buchanan moved that the Board approve the bookkeeping report and that the disbursements identified therein be approved for payment. Director McKeand seconded the motion, which unanimously carried.

STATUS OF NEW UTILITY CONSTRUCTION BY FM 1960 AUTOPLEX, INC.

Mr. Mueller next addressed the Board regarding the status of new utility construction by FM 1960 Autoplex, Inc. He advised that FM 1960 Autoplex, Inc.'s site contractor is proceeding with private site construction. No action was taken by the Board.

ATTORNEY'S REPORT

The Board next considered the attorney's report. Mr. Creed presented to the Board correspondence provided by Masterson Advisors, LLC relative to MSRB Rule G-10, a copy of which is attached hereto as **Exhibit H**.

POSSIBLE FUTURE AGENDA ITEMS

The Board then considered items for placement on a future agenda. No items were requested to be added to future agendas other than those items hereinabove discussed.

ADJOURNMENT OF MEETING

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


Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

<u>Exhibit A</u>	Security Report for the month of November 2018
<u>Exhibit B</u>	Customer Service Report provided by Republic Services, Inc.
<u>Exhibit C</u>	Tax Assessor-Collector's Report
<u>Exhibit D</u>	Engineering Report
<u>Exhibit E</u>	First Amendment to Communication site Lease Agreement (Water Tank) between the District and Clear Wireless, LLC
<u>Exhibit F</u>	Operations and Maintenance Report
<u>Exhibit G</u>	Bookkeeper's Report
<u>Exhibit H</u>	Annual Disclosure provided by Masterson Advisors, LLC