

MINUTES OF REGULAR MEETING  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 62  
HARRIS COUNTY, TEXAS

September 14, 2018

THE STATE OF TEXAS           §

COUNTY OF HARRIS           §

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 62 (the “District”) of Harris County, Texas, met in regular session, open to the public, at 7:30 a.m., on the 14th day of September 2018, at Municipal Operations & Consulting, Inc., 1825 Mason Road, Katy, Texas 77449, an office of the District outside the District’s boundaries, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Kay Stephenson	President
Robert Kincaid	Vice President
Janice Sijansky	Secretary
Lonnie Falk	Assistant Secretary
Marla Doehring	Director

All Directors were present, thus constituting a quorum.

Also present were Ms. Sarah Aschlager-Caudle of Wheeler & Associates, the District's Tax Assessor; Mr. Greg Dubiel of Municipal Operations & Consulting, the District’s Operator; Mr. Robert Atkinson, P.E., of Edminster, Hinshaw, Russ & Associates, the District's Engineer; Mr. Drew Masterson of Masterson Advisors, LLC, the District’s Financial Advisor; the District’s Financial Advisor; Brett Beardlsey, a Developer in the District; Ms. Madeline Masterson, an interested party; and Mr. John R. Wallace of Bacon & Wallace, L.L.P., the District’s Attorney.

WHEREUPON, following a notation that notices of the meeting had been duly posted in accordance with law, copies of which are attached hereto as exhibits, the meeting was called to order.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Minutes of the meeting held on August 10, 2018, were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

## TAX COLLECTOR/ASSESSOR'S REPORT

Sara Ahlschlager-Caudle reviewed the Tax Assessor/Collector's Report, a copy of which is attached hereto as an exhibit. She reported that notices of termination had been sent to delinquent accounts but no payments were received. She stated the delinquent accounts were leased vehicle accounts, and she requested the Board's approval to terminate services. Mr. Wallace informed the Board that the District could not terminate services on delinquent business personal property accounts; however, he noted it could proceed with collection efforts. Upon motion duly made and seconded, the Board voted unanimously to authorize the Tax Assessor to commence collections, and furthermore, upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's report as presented, including payment of the checks listed thereon.

## BOOKKEEPER'S REPORT

Mr. Wallace presented the Bookkeeper's Report, a copy of which is attached hereto as an exhibit. Mr. Wallace informed the Board that a bond interest payment was made on September 1, 2018. He also stated Pay Estimate No. 3 in the amount of \$533,537.73 had been received from Nunn Constructors, Ltd.

Mr. Wallace next reviewed the draft 2019 Operating Budget and the tenth month of the 2018 Operating Budget, copies of which are attached hereto as exhibits. Mr. Wallace stated the West Harris County Regional Water Authority ("RWA") fee had increased by \$0.25, and he noted that the budget needed to be changed. Mr. Dubiel informed the Board that he would make the change. Mr. Wallace then reviewed the Investment Report, a copy of which is attached hereto as an exhibit. Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, the Investment Report and payment of bills listed therein.

## TAX RATE

Drew Masterson reviewed his 2018 tax rate recommendation, a copy of which is attached hereto as an exhibit. He informed the Board that the debt service rate would most likely increase due to future bond issues. He stated that the 2017 average taxable value for residential homestead was approximately \$181,000, and he noted a six percent increase would support \$192,890 for the 2018 average taxable value for residential homestead. Mr. Masterson informed the Board that the overall fifteen percent would increase the assessed value to \$179,608,639. He stated the rollback rate was \$0.5844.

Mr. Masterson recommended the Board consider publishing a debt service rate of \$0.34 per \$100 assessed valuation and a maintenance/operation rate of \$0.215 per \$100 assessed valuation, for a total 2018 tax rate of \$0.555 per \$100 assessed valuation. Upon motion duly made and seconded, the Board voted unanimously to authorize the Tax Assessor to publish the notice of public hearing regarding the Board's intention to adopt a total tax rate of \$0.555 per \$100 assessed valuation for 2018.

## DISCUSSION ON BONDS

Mr. Wallace stated Sueba USA Corporation (“Sueba”) requested a reimbursement in the amount of \$1,150,000 for the San Remo Apartments detention pond and utilities, and water line and storm sewer for the University. Mr. Wallace informed the Board that the San Remo Apartments would be 100% complete by the end of the year. He stated the District’s estimate of value was \$189,094,200 as of August 1, 2018. He informed the Board that the Engineer had been authorized to calculate preliminary figures for a bond application.

Mr. Wallace informed the Board that the bond application would be approximately \$1,500,000. He also stated Mr. Atkinson was working on a cost summary. Mr. Wallace said that the District could sell bonds the first quarter of 2019.

## OPERATOR’S REPORT

Greg Dubiel presented the Operator’s Report, a copy of which is attached hereto as an exhibit. He reported the District's water accountability figure for the prior month was 93%, and noted it was lower than normal because of one large main break. He stated there were no excursions at the Wastewater Treatment Plant.

Mr. Dubiel informed the Board that effective January 1, 2019 the RWA fee would increase by \$0.25. He then reported the FEMA claim had been approved. Mr. Dubiel stated the pump damages and hauling cost were \$30,169.74, and \$4,000 of administrative costs had been included. Upon motion duly made and seconded, the Board voted unanimously to approve the Operator’s Report.

## ENGINEER’S REPORT

Robert Atkinson presented the Engineer's Report, a copy of which is attached hereto as an exhibit. Mr. Atkinson presented for Board approval Pay Estimate No.3 in the amount of \$533,537.73 from Nunn Constructors Ltd. for the Water Plant No. 1 project. Upon motion duly made and seconded, the Board voted unanimously to approve Pay Estimate No. 3 as presented. Mr. Atkinson informed the Board that the rig was onsite, the test well had been completed, water samples were good and the well was logged. He next presented an invoice from Tolunay Wong for Board approval in the amount of \$3,299.00 for the construction materials testing. Upon motion duly made and seconded, the Board voted unanimously to approve Tolunay Wong’s invoice as presented. Mr. Atkinson informed the Board that once the sanitary control easements were recorded, the plat could be recorded.

With regard to the the University Center utilities project, Mr. Atkinson informed the Board that the paving contractor, R. Hassell, had declared bankruptcy; however the project was substantially complete and the retainage amount was only one percent. He informed the Board that another contractor would complete the wheelchair ramp.

Mr. Atkinson informed the Board that he was working with MUD No. 61’s engineer to compile capacity numbers. He stated once the lift station was sized he could proceed with the Joint Lift Station Agreement. Mr. Atkinson stated that the District would likely need more plant

capacity and might also need to consider phase two for the water plant.

Mr. Atkinson stated that several areas needed additional paving at the Williamsburg Wastewater Treatment Plant. Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report as presented.

Mr. Wallace informed the Board that he was working with MUD 64's attorney on the Mutual Services Agreement for the tract Franz Road and Grand Parkway. He stated half of the tract was in each District. He also noted it was agreed that MUD 62 would supply all the utilities; however, he stated he was still working on how to split the reimbursement.

#### APPROVAL OF UNIVERSITY OF HOUSTON EASEMENTS

Mr. Wallace presented a Water Line and a Storm Sewer Easement for the University Center, copies of which are attached hereto as exhibits. Upon motion duly made and seconded, the Board approved the Easements.

#### DEVELOPER'S REPORT

Brett Beardsley stated two locations had been identified for the common signage; although, an agreement had not been reached. He informed the Board that one location was in MUD 63 adjacent to the detention pond, and he stated MUD 62 had an interest in the ponds. Mr. Beardsley stated both Districts would have to agree. The Board agreed to allow Mr. Beardsley to prepare the Consent to Encroachment documents for submission at the next meeting.

#### ATTORNEY'S REPORT

Mr. Wallace informed the Board that he was working on the Waiver of Special Appraisal for the Sueba sites.

#### OTHER MATTERS

With regard to Director Doehring's Memorial, Director Sijansky stated that the site would be ready in January. She informed the Board that she spoke with the Principal of Winborn Elementary School about planting a tree for Director Doehring's memorial. Director Sijansky stated a survey would need to be conducted at a cost of \$300, which would be paid by the District. She informed the Board that a location had been identified. Director Sijansky said the Board could still do a park bench and she would confer with Marla Doehring.

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

(SEAL)



  
Secretary, Board of Directors