

**MINUTES OF REGULAR MEETING  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191  
FEBRUARY 27, 2008**

**STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §**

The Board of Directors of Harris County Municipal Utility District No. 191 of Harris County, Texas, met in regular session, open to the public, beginning at 7:00 P.M., at The County Line Restaurant, 13850 Cutten Road, Houston, Texas 77069, on the 27<sup>th</sup> day of February, 2008, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Edward A. Monto	President
Robert Price	Vice President
Errol Wirasinghe	Secretary
Vaughan G. Miller	Treasurer
Ernest F. Gigliotti	Assistant Secretary

and all of said directors were present excepting Director Miller, thus constituting a quorum. Director Miller arrived shortly after the start of the meeting.

Persons also present included Daniel Anders, a resident of the District; Kevin Young; Gus Gustafson of SWWC; Patty Rodriguez of Bob Leared Interests; Bradley Jenkins and Jason Ozuna of Jones & Carter; Cindy Nichols of Michael A. Cole, P.C.; and James L. Dougherty, Jr. Arriving after the start of the meeting were Claudia Redden of Claudia Redden & Associates, LLC.; Brady Wilkins, of WCP Cutten Road; Vincent Spencer.

**ORDER CALLING DIRECTORS ELECTION**

Director Miller moved the adoption of an order calling the bi-annual Directors election for May 10, 2008 to include a rate of pay for election judges and clerks of \$15.00 per hour, which motion was seconded by Director Gigliotti and carried by unanimous vote. The order as adopted is hereto attached.

**VOTING RIGHTS ACT SUBMISSION**

Director Miller moved that to the extent necessary, a Voting Rights Act Submission to the United States Justice Department in connection with the May 10, 2008 election be authorized, which motion was seconded by Director Gigliotti and carried by unanimous vote.

**MINUTES**

The Board deferred consideration of the January 23, 2008 and February 20, 2008 meeting minutes. The President asked about the discussion in the January 23 minutes about the District's audit, and Mr. Dougherty gave the Board a brief explanation of the situation. The Board's consensus

was that the discussion in the January 23 minutes was accurate, and no changes were needed.

## **REGULAR REPORTS AND CONSENT AGENDA**

It was noted that the reports of the bookkeeper, investment officer, tax assessor/collector, and utility operator had been provided to Board members prior to the meeting and that Board members have reviewed such reports.

Claudia Redden noted that check #5298 to Lifeway Homes has been voided. Board members requested that Mr. Gustafson look at the amount of North Harris County Regional Water Authority charges being charged to the District to be sure that the District is collecting enough from its customers to offset such charges.

Patty Rodriguez with Bob Leared Interests introduced herself to the Board and explained that Rusty Leared has retired and that with the Board's agreement she would be the District's new tax assessor/collector representative. Board members agreed to such change in representation and welcomed Ms. Rodriguez. Ms. Rodriguez presented a sales tax report audit that her firm had prepared, along with a proposed Addendum to the tax assessor/collector's contract for auditing the District's sales tax report at a rate of \$100.00 per hour plus mileage reimbursement. Board members reviewed the sales tax report audit and requested that Ms. Rodriguez provide a billing for the work already performed in connection with the audit. Director Wirasinghe moved the approval of the Addendum to Contract as presented by Ms. Rodriguez, which motion was seconded by Director Price and carried by unanimous vote. A copy of the Addendum to Contract as approved is hereto attached.

Mr. Gustafson presented the list of proposed service terminations, a copy of which is attached to his report. President Monto opened a public hearing for any persons present to be heard to show cause why their water service should not be terminated for non-payment of their water bill. It was noted that no persons were present to be heard, and the public hearing was closed. Director Miller then moved that: (i) the amount shown for each account on the list of service terminations is found to be correct, (ii) although notice of tonight's hearing was given to each person on the list, no one appeared, and (iii) water service is authorized be terminated to the accounts listed in accordance with the District's standard operating procedures; which motion was seconded by Director Gigliotti and carried by unanimous vote.

Mr. Gustafson reported that he had received Tung Nguyen Giep's permit renewal and fee, and stated that Mr. Giep has requested that the term of the permit be extended for 365 days. Director Wirasinghe moved that the permit renewal of Tung Nguyen Giep reflecting a permit period of December 6, 2007 through December 6, 2009 be approved, which motion was seconded by Director Price and carried by unanimous vote. Mr. Gustafson next reported that with regard to a permit request of Halle Properties, L.L.C., he will present such permit request to the Board as soon as all of the paperwork is received. Bradley Jenkins stated that he will work to recalculate the "de minimus" for the Board's next meeting.

Mr. Gustafson next reported that the alternator to the booster pump malfunctioned Sunday night which caused a drop in pressure and that the interconnect with Cy-Champ PUD had been

opened. He also reported that someone had hit a fire hydrant last month on Willow Centre Drive and that his office is investigating the matter, and that this had caused the drop in pressure which the Board had inquired about at its January meeting. Mr. Jenkins suggested that the Board look into adding an additional relay to the District's existing equipment so if a failure is experienced it will go to a secondary. Board members requested that Mr. Jenkins look into the matter and make a recommendation to the Board at its next meeting.

Mr. Dougherty noted that he had nothing additional to report, beyond what had already been reported on during the course of the meeting. Director Miller then moved that the reports of the attorney, bookkeeper, investment officer, tax assessor/collector, and utility operator be accepted as presented, which motion was seconded by Director Gigliotti and carried by unanimous vote. The utility operator's report, bookkeeper and tax bills, and investment officer's report as accepted are hereto attached.

### **WATER AND SEWER ISSUES**

Vincent Spencer queried whether there had been any change in the District's water capacity issues after the Board's special meeting on February 27<sup>th</sup> with representatives from the Authority, Cy-Champ PUD and Prestonwood Park UD concerning the matter. President Monto stated that there has been no change at this time, but that the District did learn that it will have to convert to chloramine disinfection and it will have to begin taking surface water from the Authority in either the 3<sup>rd</sup> or 4<sup>th</sup> quarter of 2009. Bradley Jenkins stated that he is making some final revisions to some tables and data that he prepared and expects to have that information prepared for the Board's next meeting. Mr. Jenkins reported that the conflict between the EPA and the TCEQ had been resolved and the District's amended permit for 0.71 mgd had been approved shortly after the Board's last meeting. He stated that there should be some additional surplus capacity, but that there will have to be some lift station improvements made first. Mr. Spencer stated that he has contacted Cy-Champ PUD and that there is a possibility of negotiating an agreement for water supply to the proposed development, but that he still needs wastewater treatment plant capacity. It was noted that Mr. Spencer proposes to request the District annex a 7.47 acre tract which is located next to Mr. Wilkins' 4.539 acres and to develop these tracts with an apartment project. He estimated an ultimate wastewater treatment plant capacity requirement of 73,000 gpd, and noted that Mr. Wilkins' 4.539 acres has a commitment for 4,200 gpd. President Monto stated that the Board could give further consideration to the request for annexation of the 7.47-acre tract and wastewater treatment plant capacity request at future meetings, but that the Board cannot give make any commitments at this time, noting the large size of the request and the uncertainties about the water and sewer systems.

Kevin Young next presented himself to the Board and requested the Board's consideration for annexation and a capacity commitment to serve a 1.4-acre tract of land on Hargrave Road. He explained that he proposed to develop the tract with six small office buildings totaling approximately 13,500 square feet to be occupied by professionals such as realtors and lawyers. He estimated the development would require approximately 2,000 gpd sewage treatment plant capacity. The Board discussed the matter and noted that because of the very small size of the proposed project the District may be in a position to commit water and sanitary sewer capacity, but that a feasibility study would need to be done by the District's engineer and a cost deposit of \$2,000.00 would need to be paid. Director Price then moved that the Mr. Dougherty be authorized to prepare a letter to have the

District's engineer perform a feasibility study on annexing and serving the approximate 1.4-acre tract, and to provide for payment of a \$2,000.00 cost deposit. The motion was seconded by President Monto and carried by unanimous vote.

### **ENGINEERING MATTERS**

A brief recap was had of the Board's special meeting with representatives of the Authority and Cy-Champ PUD and Prestonwood Park UD. Mr. Jenkins restated his belief that the District will need to maintain its gaseous chlorine system in addition to converting to chloramine disinfection when it begins taking surface water from the Authority in the 3<sup>rd</sup> or 4<sup>th</sup> quarter of 2009. The Board authorized the engineer to provide a cost estimate to the District for the design of a chloramine disinfection system.

### **ANNUAL REVIEW OF INVESTMENT POLICY**

Director Miller reported that he found nothing in the investment policy that needed to be changed. Director Gigliotti then moved that the District adopt a resolution concerning the District's annual review of its investment policy, which motion was seconded by Director Price and carried by unanimous vote. The resolution as adopted is hereto attached.

### **TAX EXEMPTIONS**

The Board next considered authorizing homestead tax exemptions. Director Miller moved that the District adopt the same homestead tax exemptions as the prior year of \$50,000 of the appraised value of the homestead residence of persons who are disabled or are sixty-five (65) years or older and a general residence homestead tax exemption in the amount of twenty percent (20%) of the appraised value of a residence homestead, which motion was seconded by Director Price and carried with the vote of Directors Price, Wirasinghe, Miller and Gigliotti voting Aye. President Monto abstained. The resolution as adopted is hereto attached.

### **ENGAGEMENT OF DELINQUENT TAX ATTORNEY**

Director Miller moved that the District engage Michael A. Cole, P.C. to again perform the delinquent tax collection function for the District, which motion was seconded by Director Gigliotti and carried by unanimous vote. The agreement for services as authorized for execution is hereto attached.

### **20% DELINQUENT TAX PENALTY**

Director Miller then moved the adoption of a resolution adopting a 20% delinquent tax collection penalty, which motion was seconded by Director Gigliotti and carried by unanimous vote. The resolution as adopted is hereto attached.

## PARKS AND RECREATION

A brief discussion was had concerning the possibility of the Champions Centre MPC HOA taking over the park in Champions Centre Estates.

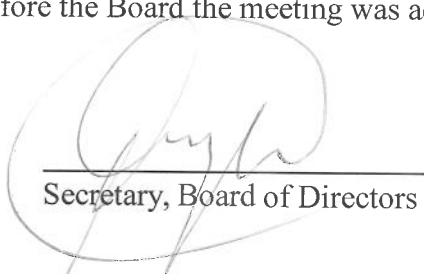
## CONSTABLE MATTERS

Director Price reported that there had been three burglaries in the apartments behind the Pappadeaux restaurant for the prior month, and there had been numerous burglaries in Champion Forest. He stated that police have made an arrest in connection with these burglaries.

Director Wirasinghe moved that a check be issued in connection with the Champions Arbor National Night Out giving residents an opportunity to meet with Constables patrolling the area and to address any security issues they may have. The motion was seconded by Director Miller and carried by unanimous vote. In response to a query of Mr. Anders, the Board agreed that Director Price could attend a Champions Centre MPC HOA meeting to address Constable matters. Board members also agreed that it would reimburse Officer Wallace for business cards at an estimated cost of \$30.00 to have on hand for residents requesting his contact information.

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

(SEAL)



Secretary, Board of Directors

Attachments: Order Calling Directors Election  
Addendum to Tax Assessor/Collector Contract  
General Fund Bills  
Investment Officer's Report  
Tax Bills  
Utility Operator's Report  
Resolution Concerning Annual Review of District's Investment Policy  
Resolution Authorizing Ad Valorem Tax Exemptions  
Agreement for Collection of Delinquent Taxes  
Resolution Adopting Additional Penalty for Tax Collection Costs

**COMMITMENTS FOR ACTION**  
**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191**  
**MEETING OF FEBRUARY 27, 2008**

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1. **ATTORNEY** to prepare a letter to have the District's engineer perform a feasibility study on annexing and serving the approximate 1.4 acre tract, and to provide for payment of a \$2,000.00 cost deposit.
2. **ENGINEER** to work to recalculate the "de minimus" for the Board's next meeting; and look into adding an additional relay to the District's existing equipment so if a failure is experienced it will go to a secondary and make a recommendation to the Board at its next meeting.
3. **OPERATOR** to look at the amount of North Harris County Regional Water Authority charges being charged to the District to be sure that the District is collecting enough from its customers to offset such charges.