

## REID ROAD MUNICIPAL UTILITY DISTRICT NO. 2

### Minutes of Meeting of Board of Directors December 20, 2017

The Board of Directors (the "Board") of Reid Road Municipal Utility District No. 2 (the "District" or "No. 2") met at 11245 Harvest Bend Boulevard, Houston, Texas, on December 20, 2017, 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:

Sean Allen	President
Vicki Owen	Vice President
Fredrick Phillips	Assistant Secretary
Keith Austin	Secretary
Susan Norris	Director

all of said members were present, except for Director Norris, who arrived later in the meeting, thus constituting a quorum.

Also present were Pat Cieslewitz, Carla Christensen, Bob Brengel and Gilbert De La Cruz of the Reid Road Municipal Utility District No. 1 ("RR1") Board of Directors (the "No. 1 Board"); Robin Goin of Bob Leared Interests ("Bob Leared"); Vickey Sullivan of Equi-Tax Inc. ("Equi-Tax"); John Montgomery and John Taylor of Municipal Operations and Consulting, Inc. ("MOC"); Dennis Hughes and Scott Blissett of Landev Engineers, Inc. ("Landev"); Jim Murdaugh of Smith, Murdaugh, Little & Bonham, L.L.P. ("SMLB"); David Banos of Municipal Accounts & Consulting, L.P. ("MA&C"); Christina Perry of Myrtle Cruz, Inc. ("Myrtle"); Deputy Blackledge, Deputy Ener, and Deputy Martinez of Harris County Constable Pct. 4 ("HCCP4"); Jonathan Roach and Frank Mitchell of Roach & Mitchell, PLLC ("RMPLLC"); Bob DeForest of KGA DeForest Design, LLC ("KGA"); Michael Murr of Park Rangers, LLC ("Park Rangers"); and Scott Christensen, former Director of RR1.

The Board President declared the meeting to be open for such business as might come before it.

#### OPERATIONS AND MAINTENANCE REPORT FOR JOINT SEWAGE TREATMENT PLANT ("JSTP")

Mr. Montgomery presented and reviewed the operations and maintenance report for the JSTP, a copy of which is attached hereto as **Exhibit A**. After no questions, the No. 1 Board approved the JSTP operations and maintenance report. Director Allen then moved that the Board accept the JSTP operations and maintenance report. Director Austin seconded said motion, which carried unanimously.

#### BOOKKEEPING REPORT AND INVOICES (JSTP)

Ms. Perry presented the Bookkeeping Report for the JSTP, a copy of which is attached hereto as **Exhibit B**. After no questions, the No. 1 Board approved the bookkeeper's report for the JSTP. Director Owen then moved that the Board accept the JSTP bookkeeping report. Director Phillips seconded said motion, which carried unanimously.

## ENGINEERING REPORT (JSTP)

Mr. Hughes presented the Engineering Report for the JSTP. After no questions, the No. 1 Board approved the Engineer Report. Director Allen then made a motion to approve the Engineer's Report. Director Owen seconded said motion, which carried unanimously.

## JOINT CONSTABLE PATROL REPORT

Deputy Ener gave the Joint Constable Patrol Report and noted the service calls to which they had responded during the month. He noted that there were no major incidents to report.

The No. 1 Board and consultants exited the meeting at this time.

## APPROVE PREVIOUS MINUTES

The Board considered approving the minutes of the November 15, 2017 regular meeting. After no questions, Director Owen moved to approve the minutes of the November 15, 2017 regular meeting. Director Allen seconded said motion, which carried unanimously.

## CONSTABLE PATROL REPORT

Deputy Blackledge provided an oral report of the disturbances within the District for the month of November. He noted that there were no major incidents to report.

## REQUEST FROM HARVEST BEND-THE VILLAGE HOA FOR PARK/PLAYGROUND REHABILITATION/UPGRADE

This item was deferred as there was no representative present from the HOA.

Director Norris entered the meeting at this time.

## TAX ASSESSOR-COLLECTOR REPORT

Mrs. Sullivan provided the Board with a written Tax Assessor-Collector Report, a copy of which is attached hereto as Exhibit C. She noted that at the end of November, the District was approximately 99.8% collected for 2016 taxes. Mrs. Sullivan then presented several checks for the Board's review. Mrs. Sullivan also presented the Strategic Partnership Agreement ("SPA") report, a copy of which is attached hereto as Exhibit D. After no questions, Director Phillips made a motion, which was seconded by Director Norris, and passed unanimously, to approve the Tax Assessor-Collector Report and payment of checks reflected therein.

## DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

Mrs. Sullivan presented the Delinquent Tax Collections Attorney Report and noted that there was no action required this month.

## BOOKKEEPER'S REPORT

Mr. Banos presented and reviewed with the Board the Bookkeeper's Report including the checks presented for payment, a copy of which report is attached hereto as Exhibit E. He presented his recommendation to release the money from the Certificate of Deposits ("CD") at Green Bank into the Texas Class Money Market account. After no questions, Director Austin moved to approve the Bookkeeper's Report, payment of invoices, and release of the Green Bank CD into the Texas Class Money Market account, as recommended. Director Owen seconded the motion, which carried unanimously.

## REVIEW INVESTMENT POLICY

This item was deferred.

## STATUS OF PARK MANAGEMENT/MAINTENANCE FOR THE PARK AT WILLBERN ("Park")

Mr. Murr presented the Landscape Management Report, a copy of which is attached hereto as Exhibit F. He noted that there are no major issues to report, but that the recent snowfall did cause minor issues with the grass. The Board also reviewed the report from KGA Deforest Design, LLC, a copy of which is attached hereto as Exhibit G, which noted that the project is complete and the Letter of Final Acceptance will be presented.

## STATUS OF SERIES 2017 BONDS ("Bonds") AND RELATED MATTERS, INCLUDING APPROVAL OF UPDATED ORDER AUTHORIZING APPLICATION TO TCEQ

Mr. Roach noted that the final documents for the bond application report were compiled. Mr. Hughes noted that the application was submitted to the Texas Commission on Environmental Quality ("TCEQ") on December 20, 2017.

## FINANCING/REIMBURSEMENT REQUESTS, SITE/FACILITY CONVEYANCES, ANNEXATION STATUS, POSSIBLE AMENDMENT OF UTILITY DEVELOPMENT AGREEMENT(S), AND OTHER DEVELOPMENT MATTERS

Mr. Roach presented a Conveyance of Utility Facilities from Liberty Property to the District, a copy of which is attached hereto as Exhibit H. Director Allen moved to accept the conveyance and authorize the execution. Director Norris seconded said motion, which carried unanimously.

## ENGINEERING REPORT

Mr. Hughes presented to the Board a written Engineering Report, a copy of which is attached as Exhibit I. Mr. Hughes stated that he has begun design of the sanitary sewer rehabilitation project based on the evaluation of the televising results. Mr. Hughes also provided an update on the Homewood Suites construction, stating that it is ongoing and the contract completion date is in April 2018. He then presented Pay Estimate No. 1 from Panorama Construction in the amount of \$49,356 for the construction of the generator and storage building. After no questions, Director Norris made a motion to approve the Engineer's Report and Pay Estimate No. 1 to Panorama Construction. Director Allen seconded said motion, which carried unanimously.

## DIRECTOR'S REPORTS

Director Owen noted the North Harris County Regional Water Authority ("NHCRWA") fees will be increasing to \$3.40 and 3.85 for groundwater pumpage and surface water, respectively. She also noted that the fees are expected to continue to increase approximately \$0.50 per year. Mr. Roach noted that the increase will be passed through with a ten percent (10%) accountability factor according to the District's current Rate Order. Director Owen then discussed the Waters Users Coalition meeting, stating that the area counties are continuing to assign additional responsibilities to MUDs.

## OPERATIONS AND MAINTENANCE REPORT

Mr. Montgomery presented and reviewed with the Board the Operations and Maintenance Report, a copy of which is attached as Exhibit J. He noted that there were no major repairs in the District within the month of November. Mr. Montgomery next presented the uncollectible list and the cut-off list to the Board and requested approval to delay action on the cut-off list until January 2, 2018. The Board concurred.

## ATTORNEY'S REPORT

Mr. Roach noted that RMPLLC will present an electronic records/signatures policy at an upcoming Board meeting. He next presented a draft 2018 Master Calendar, a copy of which is attached hereto as Exhibit K, and requested Board input. Mr. Roach then reviewed the 2018 Directors Election timeline and important election deadlines.

## EXECUTIVE SESSION

The Board did not enter executive session during this meeting.

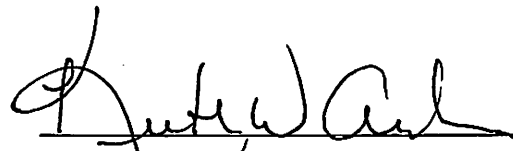
## FUTURE AGENDA ITEMS AND PENDING BUSINESS

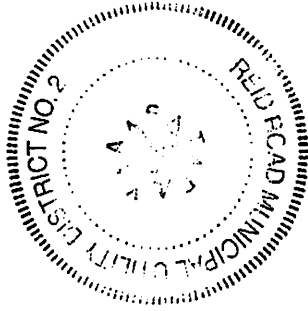
The Board confirmed that the next meeting will be January 17, 2018. Director Owen noted that she would not be at the January meeting. Mr. Roach also noted that the winter AWBD conference is January 26-27, 2018.

## ADJOURNMENT

After no further discussion, upon motion made by Director Allen, seconded by Director Austin and unanimously carried, the Board adjourned the meeting.

(SEAL)

  
Secretary, Board of Directors



## LIST OF ATTACHMENTS

Exhibit A	O&M Report for JSTP
Exhibit B	Bookkeeper's Report for JSTP
Exhibit C	Tax Assessor/Collector Report
Exhibit D	SPA Report
Exhibit E	Bookkeeper's Report
Exhibit F	Landscape Management Report
Exhibit G	KGA Report
Exhibit H	Liberty Property Conveyance
Exhibit I	Engineering Report
Exhibit J	Operations and Maintenance Report
Exhibit K	Draft 2018 Master Calendar