

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 120

June 6, 2019

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 120 (the "District"), met in regular session, open to the public, on the 6th day of June 2019, outside the boundaries of the District at the offices of LJA Engineering, Inc., 2929 Briarpark Drive, Suite 600, Houston, Texas, and the roll was called of the members of the Board:

Gary Gassmann	President/Treasurer/Investment Officer
Frances Browning	Vice President
William J. Hammer	Secretary
Sylvia Marinez	Assistant Secretary
Tracy L. Jones	Assistant Vice President

and all of said persons were present, thus constituting a quorum.

Also present at the meeting were Kathy Cruthirds of Tax Tech, Inc. ("Tax Tech"); Mary Ann Mihills of Municipal Accounts & Consulting, L.P ("MAC"); Patrick Newton of LJA Engineering, Inc. ("LJA"); Mike Ammel of Environmental Development Partners, LLC ("EDP"); and Christina Miller, Cheryl Panozzo, and Arlene Catalan of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the May 7, 2019, and the May 13, 2019, special meetings and the May 9, 2019, regular meeting. After review and discussion, Director Browning moved to approve the minutes of the May 7, 2019, and the May 13, 2019, special meetings and the May 9, 2019, regular meeting as submitted. Director Jones seconded the motion, which passed unanimously.

PUBLIC COMMENTS

There were no comments from the public.

REPORT FROM SALES REVENUE, INC. ON STRATEGIC PARTNERSHIP REVENUES

The Board concurred to defer this item to next month.

ATTORNEY'S REPORT

The Board reviewed the Action List Status Chart, a copy of which is attached.

AMENDED AND RESTATED JOINT TRUNK SEWER AGREEMENT

Ms. Miller stated that she provided comments on the Amended and Restated Joint Trunk Sewer Agreement (the "Joint Agreement") to Chelford City Municipal Utility District and that the Joint Agreement will be presented to the Board for consideration once finalized.

LEGISLATIVE UPDATES

Ms. Miller gave an update regarding legislative matters pertaining to the 86th Regular Session of the Texas Legislature.

ANNUAL REPORT

Ms. Miller reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. Following review and discussion, Director Jones moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Browning seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

After review of the District's procedures for continuing disclosure compliance, the Board determined that no changes are required at this time.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills reviewed the bookkeeper's report, a copy of which is attached, including the District's bills and investment report. After review and discussion, Director Jones moved to approve the bookkeeper's report and the payment of bills. Director Marinez seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Cruthirds reviewed the tax assessor/collector's report, a copy of which is attached. She stated the 2018 taxes are 98.21% collected as of May 31, 2019. After review and discussion, Director Marinez moved to approve the tax assessor/collector's

report and payment of the tax bills. Director Jones seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District's delinquent tax attorney to proceed with the collection of the 2018 delinquent tax accounts. After discussion, Director Hammer moved to authorize the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP, to proceed with the collection of delinquent taxes as of July 1, 2019. Director Browning seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT

Mr. Ammel reviewed the operator's report, including the billing summary and detail report, water production and accountability report, grease trap inspection report, and the customer service report. A copy of the operator's report is attached. He presented to the Directors a list of top residential water users, a copy of which is filed appropriately in the District's official records. Mr. Ammel reported the District's water accountability for the reporting period was 95.9%. He reported on maintenance and repairs completed during the previous month and upcoming maintenance and repair items.

Mr. Ammel reported the fire hydrants in the District were last painted in 2013 and stated that the estimated cost to paint 275 fire hydrants is \$11,068.75. After discussion, Director Hammer moved to authorize the operator to paint 275 fire hydrants in the District for a total estimated cost of \$11,068.75. Director Jones seconded the motion, which passed by unanimous vote.

The Board considered authorizing EDP and LJA to update the District's Emergency Preparedness Plan. Following discussion, Director Browning moved to authorize EDP and LJA to update the District's Emergency Preparedness Plan and direct that it be filed appropriately and retained in the District's official records. Director Hammer seconded the motion, which passed by unanimous vote.

After review and discussion, Director Jones moved to approve the operator's report. Director Hammer seconded the motion, which passed by unanimous vote.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Ammel presented a list of delinquent customers to the Directors and reported the residents on the termination list were delinquent in payment of their water

and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Jones moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Hammer and passed by unanimous vote.

PARKS/RECREATION MATTERS

Mr. Newton gave an update on the installation of lighting at Summit Valley right-of-way ("Summit Valley"). Following discussion, the Board requested that the bookkeeper continue to hold the check to E Diamond Electric in the amount of \$21,495.15 for Pay Estimate No. 1 until she receives confirmation from Mr. Newton that the project is progressing.

The Board reviewed a proposal from Terry's Landscape and Design ("Terry's"), a copy of which is attached, in the amount of \$2,792.40 to (1) remove two trees, including grinding the stumps; and (2) trim twelve trees that are obstructing the walking path at Summit Valley. Following review and discussion, the Board requested that Mr. Newton contact Terry's and request that they revise the proposal to remove grinding of the two tree stumps. Mr. Newton reported a fence at Summit Valley is in need of repair and stated that Terry's will repair the fence at a cost of \$1,500.00. Following discussion, Director Hammer moved to authorize Terry's to (1) remove two trees; (2) trim twelve trees; and (3) repair the fence at Summit Valley in a total amount not to exceed \$4,292.40. Director Jones seconded the motion, which passed by unanimous vote.

Ms. Miller discussed the possibility of the Office of Harris County Precinct 3 ("Precinct 3") partnering with the District on trail projects. She noted that Paul Hawkins from Precinct 3 is planning to attend the District Board meeting in July.

ENGINEER'S REPORT

Mr. Newton reviewed the engineer's report, a copy of which is attached.

Mr. Newton gave an update on the request for Out-of-District water and sanitary sewer capacity from Metarock Laboratories for the tract located at the intersection of Highway 6 and Branch Forest Drive. Ms. Miller noted she is coordinating with the City of Houston to provide written confirmation that the District may serve the tract.

Mr. Newton reviewed correspondence from Autumn Years LLC, the owner of property located in the District at 3826 Gamlin Bend Drive (the "Property"), a copy of which is included in the engineer's report. Mr. Newton stated LJA reviewed plans submitted by Autumn Years, LLC and provided comments based on the Property being converted from a residential to a commercial establishment. He said that the owner does not agree that the Property should be classified as a commercial establishment. Following review and discussion, the Board determined the Property should be classified as a multi-unit establishment and requested that LJA provide comments on the plans based on the Property being classified as a multi-unit user.

Ms. Miller updated the Board on West Harris County Water Authority matters.

Mr. Newton gave an update on construction of the 2017 Sanitary Sewer Rehabilitation project. He requested approval of Pay Estimate No. 1 and Final in the amount of \$205,533.00 to King Solution Services, LLC for construction of the 2017 Sanitary Sewer Rehabilitation project. Following discussion, the Board requested that LJA present recommended repairs for a 2019 Sanitary Sewer Rehabilitation project next month.

Mr. Newton gave an update on the repainting of District facilities at Water Plant No. 2 project, including Ground Storage Tank No. 1 and stated that he anticipates the project will be complete during the week of June 14, 2019.

Mr. Newton gave an update on the design of waterline loops for Clayton Oaks, Clayton Trace, Clayton Woods, Timber Gate, and Oak Park Patio subdivisions and the acquisition of necessary easements for the project.

After review and discussion, Director Jones moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 1 and Final in the amount of \$205,533.00 to King Solution Services, LLC for construction of the 2017 Sanitary Sewer Rehabilitation project and accept the project. Director Browning seconded the motion, which passed by unanimous vote.

WEBSITE

There was no discussion on District website matters.

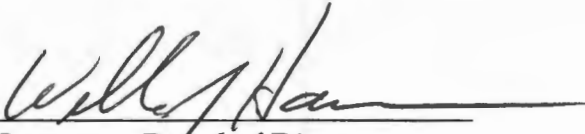
REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

There were no reports from directors or District consultants.

ANNUAL REVIEW OF CONSULTANT CONTRACTS

There was no discussion on the annual review of the District's consultant contracts.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

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