

MINUTES OF MEETING OF BOARD OF DIRECTORS  
FEBRUARY 14, 2017

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 151

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The Board of Directors (the "Board") of Harris County Municipal Utility District No. 151 (the "District") met in regular session, open to the public, at Norton Rose Fulbright US LLP, 1301 McKinney, Suite 5100, Houston, Texas, at 11:30 a.m. on February 14, 2017, whereupon the roll was called of the members of the Board, to-wit:

Kent F. Spitzmiller, President  
Jerry Berry, Vice President  
Herman Jordan, Vice President  
Ken Smith, Secretary  
Bill Walker, Assistant Secretary

**Persons Attending.** All members of the Board were present. Also attending all or parts of the meeting Mr. Joe Stunja of Pinehurst Trail Holdings, LLC; Mr. Larry Jones of Severn Trent Environmental Services, Inc. ("ST"), operator for the District; Ms. Diane Bailey and Mr. Jorge Diaz of McLennan and Associates, bookkeeper for the District; Ms. Yvonne Luevano of Wheeler & Associates ("Wheeler"), tax assessor and collector for the District; and Ms. Jana Cogburn and Ms. Brenda Presser, paralegal, of Norton Rose Fulbright US LLP ("NRF"), law firm representing the District.

**Call to Order.** The meeting was called to order and, in accordance with notice posted pursuant to law, copies of the certificates of posting of which are attached hereto as *Exhibit A*, the following business was transacted:

1. **Minutes.** Proposed minutes of the meeting of January 10, 2017, previously distributed to the Board, were presented for approval. Director Spitzmiller noted that paragraph 8 of the minutes should reflect the Capacity Commitment Letter is for a one-year term. Upon motion by Director Berry, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of January 10, 2017, as revised.

2. **Tax Collector's Report.** The Board reviewed the Tax Collector's Report as of January 31, 2017, a copy of which is attached hereto as *Exhibit B*. The report reflects that the District had collected 90.82% of its 2016 taxes as of January 31, 2017.

Upon motion by Director Smith, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Collector's Report, to authorize payment of check numbers 3179 and 3189 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report, and to approve and authorize the delinquent tax attorney to take necessary action in connection with the delinquent tax report.

3. **Approve designation of new bookkeeper representative as Investment Officer.** Upon motion by Director Jordan, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the designation of Jorge Diaz as the District's Investment Officer.

4. **Bookkeeper's Report.** Mr. Diaz reported that Ms. Bailey is now assigned to the District and will be attending meetings and he will attend in her absence.

Ms. Bailey presented to and reviewed with the Board the Bookkeeper's Report for the period from January 11, 2017 to February 14, 2017, certain statements for payment, and the investment report for the period ending January 31, 2017, copies of which are attached hereto as *Exhibit C*.

Ms. Bailey presented check numbers 10184 through 10187 for utilities and pumpage fees for approval and payment upon receipt of invoices expected prior to the District's next meeting. She also presented check no. 10188 in the amount of \$350.00 in payment of today's meeting expenses.

Upon motion by Director Jordan, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 10152 through 10188 from the General Fund in the amounts, to the persons, for the purposes listed in such Report and as requested herein.

5. **Operations Report.** Mr. Jones presented to and reviewed with the Board the Operations Report for January 2017, a copy of which is attached hereto as *Exhibit D*. He noted that 102.85% of the water pumped was billed for the period of December 20, 2016 to January 19, 2017.

The Board asked Mr. Jones to add a notice to the water bills instructing residents not to repaint the fire hydrants and to explain the reasons for the existing colors.

Mr. Jones stated that the insurance company will cover damage to lift station no. 2, but will only pay the lesser of the cost to repair or replace, less the \$5,000 deductible. The Board agreed to replace lift pump no. 2.

Discussion ensued regarding the sewer line repair at 19638 Firesign and the costs to make the repair. The Board asked Mr. Jones to determine the total costs of the repair. Discussion also ensued regarding concerns about homeowners planting trees and otherwise encroaching on the District's easement.

Upon motion by Director Berry, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report, to authorize termination of service to delinquent accounts, and approve the purchase of lift pump no. 2 at a cost of \$18,251.20.

6. **Engineer's Report.** The President reported there is no engineer's report.

7. **Updated Capacity Commitment letter to Pinehurst Trail Holdings, LLC.** Director Spitzmiller stated that the engineer made an error in the calculation of available connections for the capacity commitment letter to Pinehurst Trail Holdings, LLC to increase equivalent single family connections ("ESFCs") from 237 to 433 ESFCs. He noted that the correct number is 658 ESFCs. Upon motion by Director Berry, seconded by Director Smith, after full discussion and the question being put to the Board, the Board voted unanimously to approve capacity commitment for 658 ESFCs to Pinehurst Trail Holdings, LLC for a one-year term. A copy of the letter to Pinehurst Trail Holdings, LLC confirming reservation of 433 ESFCs is attached as *Exhibit E*.

8. **Developer's Report.** Mr. Stunja stated that he did not have an update.
9. **Status report on District website.** No report was presented to the Board.
10. **Public Comments.** There were no comments.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on March 14, 2017.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors

