

MINUTES OF MEETING OF BOARD OF DIRECTORS
DECEMBER 12, 2017

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

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 December 12, 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, except Director Walker, thus constituting a quorum. Also attending all or parts of the meeting were Mr. Dan Edwards of AECOM, engineer for the District; Mr. Larry Jones and Mr. Allen Jenkins of INFRAMARK, operators for the District; Mr. Jorge Diaz of McLennan and Associates, bookkeeper for the District; Ms. Yvonne Luevano and Ms. Miranda Burks 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. **Public Comments.** There were no comments from the public.
2. **Minutes.** Proposed minutes of the regular meeting of November 14, 2017, previously distributed to the Board, were presented for approval. Upon motion by Director Jordan, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of November 14, 2017, as presented.
3. **Tax Collector's Report.** The Board reviewed the Tax Collector's Report and the Delinquent Collections Listing as of November 30, 2017, a copy of which is attached hereto as *Exhibit B*. The report reflects that the District had collected 9.30% of its 2017 taxes as of November 30, 2017.

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 Tax Collector's Report, and to authorize payment of check numbers 3273 through 3279 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Bookkeeper's Report.** Mr. Diaz presented to and reviewed with the Board the Bookkeeper's Report for the period from November 15, 2017 to December 12, 2017, certain

statements for payment, and the investment report for the period ending November 30, 2017, copies of which are attached hereto as *Exhibit C*.

Mr. Diaz presented check numbers 10515 through 10517 for utilities for approval and payment upon receipt of invoices expected prior to the District's next meeting. He also noted check no. 10518 in the amount of \$255.00 payable to Treebeard's is not on the list of Cash Disbursements because the invoice was received yesterday.

Mr. Diaz reported that a Certificate of Deposit at Independence Bank expired on November 25, 2017 and funds were used to purchase a Certificate of Deposit at Compass BBVA at a rate of 1.3%.

Upon motion by Director Berry, seconded by Director Jordan, 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, to authorize payment of check numbers 10486 through 10518 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report as requested herein.

5. Approve Assignment of Capacity and Assignment of Trunkline Capacity. Ms. Cogburn stated that pursuant to the Fourth Amended and Restated Waste Disposal Contract and Second Amended and Restated Sanitary Sewer Line Contract, Harris County Municipal Utility District No. 494 ("No. 494") acquires wastewater treatment capacity from the joint sewage treatment plant and wastewater transmission capacity through the joint wastewater trunk line. Ms. Cogburn confirmed that a check in the amount of \$96,210.00 was received from No. 494 (\$80,844.00 for wastewater treatment capacity and \$15,366.00 for wastewater trunk line capacity). 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 authorize the execution of the Assignment of Capacity and Assignment of Trunkline Capacity.

6. Engineer's Report. President Spitzmiller recognized Mr. Edwards, who reviewed options for rehabilitation of Ground Storage Tank No. 3 ("GST 3"). He reported that GST 3 was constructed in 2000. He discussed bids to disassemble and rehabilitate the existing facility and alternate bids for removal and replacement. He said the bids reflected that removal and replacement was less expensive than rehabilitation. Discussion ensued regarding coatings, bolted versus welded steel tanks and options for rehabilitation. Mr. Edwards reported that he met with the City of Houston regarding permitting and if the District replaced the tank with the same size tank and did not remove the tank ring, then no additional permits or City of Houston approvals would be required. The Board discussed extending the life of GST 3 and requested that the Operator investigate the integrity of steel and dependability of the structure to determine if there is additional life in GST 3. Mr. Edwards stated that he will coordinate with the Operator to provide additional information on the possibility of some rehabilitation to extend the life of GST 3. Upon motion by Director Berry, seconded by Director Jordan, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Engineer's verbal report and to authorize the Operator to have the tank inspected.

7. Operations Report. The President recognized Mr. Jones, who presented to and reviewed with the Board the Operations Report for October 2017, a copy of which is attached hereto as *Exhibit D*. He noted that 91% of the water pumped was billed for the period of October 20, 2017 to November 17, 2017.

He reviewed the Major Maintenance Summary for November 2017.

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, and to authorize termination of service to delinquent accounts in accordance with the District's Rate Order.

8. **Developer's Report.** There were no developers present and no report was presented to the Board.

9. **Status report on District website.** No report was presented to the Board

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 January 9, 2018.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

