

MINUTES OF MEETING OF BOARD OF DIRECTORS
APRIL 11, 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 April 11, 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, thus constituting a quorum. Also attending all or parts of the meeting Mr. Joe Stunja of Pinehurst Trail Holdings, LLC, ("Pinehurst Trail Holdings"); Ms. Tracy Stunja; Mr. David Toone of PinPoint Commercial, L.P.; Mr. Dan Edwards of AECOM, engineer for the District; Mr. Larry Jones of Severn Trent Environmental Services, Inc. ("ST"), operator for the District; Ms. Diane Bailey 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 March 14, 2017, previously distributed to the Board, were presented for approval. 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 March 14, 2017, as presented.

2. **Tax Collector's Report.** The Board reviewed the Tax Collector's Report and the Delinquent Collections Listing as of March 31, 2017, a copy of which is attached hereto as *Exhibit B*. The report reflects that the District had collected 97.78% of its 2016 taxes as of March 31, 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, to authorize payment of check numbers 3211 through 3229 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. **Bookkeeper's Report.** Ms. Bailey presented to and reviewed with the Board the Bookkeeper's Report for the period from March 15, 2017 to April 11, 2017, certain statements for payment, and the investment report for the period ending March 31, 2017, copies of which are attached hereto as *Exhibit C*.

Ms. Bailey presented check numbers 10244 through 10247 for utilities and pumpage fees for approval and payment upon receipt of invoices expected prior to the District's next meeting.

Upon motion by Director Smith, seconded by Director Berry, 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 10213 through 10247 from the General Fund in the amounts, to the persons, for the purposes listed in such Report and as requested herein.

4. **Approve budget for fiscal year ending May 31, 2018.** Ms. Bailey presented to and reviewed with the Board a draft budget for fiscal year ending May 31, 2018, a copy of which is attached to the Bookkeeper's Report. 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 adopt the budget as presented.

5. **Engineer's Report.** Mr. Edwards stated there are no updates to report.

6. **Operations Report.** Mr. Jones presented to and reviewed with the Board the Operations Report for March 2017, a copy of which is attached hereto as *Exhibit D*. He noted that 92.12% of the water pumped was billed for the period of February 19, 2017 to March 18, 2017.

Director Berry ask Mr. Jones to investigate the work reported under Sewer Line Maintenance for a cost of \$1,811.17 to jet, clean and televise the sanitary sewer main.

Mr. Jones reported there are two delinquent accounts that are uncollectible and requested the Board's approval to send to collections.

Mr. Jones announced that Texas Department of Transportation ("TxDot") is holding a public hearing on April 25, 2017 at 6:30 p.m. at Humble High School to present plans and discuss the proposed plans to reconstruct and widen FM 1960 from business FM 1960-A to Atascocita Shores Drive. Director Berry noted that more detailed information can be found on TxDot's website.

Upon motion by Director Walker, 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 in accordance with the District's Rate Order, and to submit two uncollectible accounts to collections.

7. **Developer's Report.** The President recognized Mr. Stunja, who reported that Mr. Toone will present an update on development of the 8.5 acre tract located on West Lake Houston Parkway and King's Park Way. Mr. Toone distributed and reviewed handouts illustrating site plan option, drainage, information on proposed anchor tenant, and preliminary cost estimate for detention of the development, copies of which are attached as *Exhibit E*. Discussion ensued regarding economics and aesthetics of the development facilities, including drainage, storm water detention, maintenance, and associated costs. Mr. Stunja asked the Board about consideration for reimbursement and ownership of the drainage facilities. He also requested a letter evidencing capacity for the site. After a full discussion, the Board deferred action pending collection of additional data regarding costs for ownership and maintenance of drainage facilities and requested Mr. Stunja provide a formal letter to the District requesting commitment of capacity sufficient to serve the 8.5 acre project as developed.

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

9. **Public Comments.** Ms. Cogburn reported the District received a notice from Arbitrage Compliance Specialists ("ACS") notifying the Board that the District's Series 2012 Bonds are due for their five year report. She requested approval for ACS to do such work at a cost of \$2,950. 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 engagement letter with ACS for preparation of the District's fifth year report for its Series 2012 Bonds.

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 May 9, 2017.

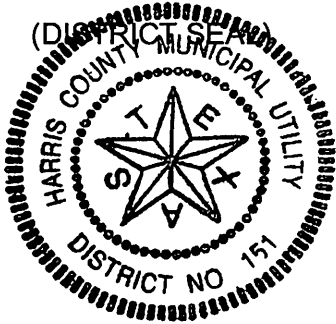


President, Board of Directors

ATTEST:



Secretary, Board of Directors



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