

MINUTES OF MEETING OF BOARD OF DIRECTORS  
APRIL 10, 2018

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 10, 2018, 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. Also attending were Mr. Joe Stunja of Pinehurst Trail Holdings, LLC; Mr. Dan Edwards of AECOM, engineer for the District; Mr. Allen Jenkins and Mr. Larry Jones of INFRAMARK, operators for the District; Mr. Jorge Diaz of McLennan and Associates ("McLennan"), 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. **Public Comments.** There were no comments from the public.
2. **Minutes.** Proposed minutes of the regular meeting of March 13, 2018, 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 regular meeting of March 13, 2018, as presented.
3. **Tax Collector's Report.** President Spitzmiller recognized Ms. Luevano, who presented and reviewed the Tax Collector's Report and the Delinquent Collections Listing as of March 31, 2018, a copy of which is attached hereto as *Exhibit B*. The report reflects that the District had collected 98.19% of its 2017 taxes as of March 31, 2018.

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 3303 through 3322 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Bookkeeper's Report.** President Spitzmiller recognized Mr. Diaz, who presented and reviewed the Bookkeeper's Report for the period from March 14, 2018 to April 10, 2018, certain statements for payment, and the investment report for the period ending March 31, 2018, copies of which are attached hereto as *Exhibit C*.

Mr. Diaz presented check numbers 10628 through 10631 for utilities and other costs for the District for approval and payment upon receipt of invoices expected prior to the District's next meeting.

Mr. Diaz noted the purchase of a six month CD from Compass Bank in the amount of \$500,000.00 at a rate of 1.6%, as directed by the Board last month.

Mr. Diaz presented to and reviewed with the Board a draft budget for fiscal year ending May 31, 2019, a copy of which is attached to the Bookkeeper's Report. The Board asked about the estimated budget for replacement of GST #3. Mr. Edwards reported that he recommended the amount be included in the budget as a place holder pending the Board's decision to move forward with replacement or continue with repairs. Discussion ensued regarding the remaining useful life and cost variables between the useful life and maintenance requirements of bolted versus welded ground storage tanks. President Spitzmiller suggested the discussion be continued under the engineer's report.

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 accept the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 10607 through 10631 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

**5. Engineer's Report.** No written engineer's report was presented. President Spitzmiller recognized Mr. Edwards, who reported on the status of the Bradford property for the proposed assisted living facility. He reviewed a conceptual master plan of the facility, a copy of which is attached as *Exhibit D*. He noted that the facility will receive water from Harris County Municipal Utility District No. 109 ("No. 109") and wastewater services will be provided by the District. In response to a question, Ms. Cogburn stated that the District and No. 109 have previously entered into an agreement setting forth the terms for provision of water services.

The Board discussed GST #1 and inquired about preventative maintenance to maximize the useful life to extend beyond the useful life of GST #3. Mr. Edwards and Mr. Jones reported on the ages of the GSTs, maintenance variables, and repair and replacement costs for welded and bolted GSTs .

President Spitzmiller asked if there were ladders for water tanks made of a material that does not rust. Mr. Jenkins stated that he will explore options for ladders and report to the Board.

**6. Operations Report.** The President recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for March 2018, a copy of which is attached hereto as *Exhibit E*. He noted that 97.01% of the water pumped was billed for the period from February 22, 2018 to March 20, 2018.

He reviewed the Major Maintenance Summary for March 2018.

Mr. Jenkins reported there are 118 accounts on the delinquent list of which 21 were disconnected for non-payment. He requested the Board's authorization to send four accounts for collection and to write-off one account.

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 in accordance with the District's Rate Order, to authorize sending four accounts to collections, and to authorize writing off one account.

7. **Discuss WHCRWA's installation of an Automated Meter Reading system and Right of Entry Agreement.** The Board considered a Right of Entry Agreement from West Harris County Regional Water Authority ("WHCRWA") for the District to execute, a copy of which is attached hereto as *Exhibit F*. Mr. Jones said that WHCRWA wants to install an Automated Meter Reading system to read all the groundwater well meters within the WHCRWA so that it can collect usage data more quickly. Mr. Jones reported that WHCRWA will bear the costs of installation and maintenance of the meter and the District will own the meter. Discussion ensued.

Upon motion by Director Smith, seconded by Director Jordan, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the Right of Entry Agreement.

8. **Developer's Report, including request(s) for capacity commitment.** Mr. Stunja stated that he has no report.

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

10. **Authorize filing on Comptroller database under SB 625.** Ms. Cogburn reported that in the last legislative session Senate Bill 625 established a requirement for districts to provide additional information for inclusion on the Comptroller's database on special districts. 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 authorize NRF to enter District information on the Comptroller's database as required under SB 625.

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 8, 2018.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors

