

MINUTES OF MEETING OF BOARD OF DIRECTORS  
JUNE 12, 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 June 12, 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. Also attending 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 ("McLennan"), bookkeeper for the District; Ms. Yvonne Luevano of Wheeler & Associates ("Wheeler"), tax assessor and collector for the District; and Mr. Dimitri Millas and Ms. Brenda Presser, of Norton Rose Fulbright US LLP ("NRF"), attorneys for 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 May 8, 2018, previously distributed to the Board, were presented for approval. 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 minutes of the regular meeting of May 8, 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 May 31, 2018, a copy of which is attached hereto as *Exhibit B*. The report reflects that the District had collected 98.85% of its 2017 taxes as of May 31, 2018.

Upon motion by Director Walker, seconded by Director Berry, 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 3333 through 3340 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 May 9, 2018 to June 12, 2018, certain statements for payment, and the investment report for the period ending May 31, 2018, copies of which are attached hereto as *Exhibit C*.

Mr. Diaz noted check no. 10656 to the Texas State Comptroller for unclaimed property for \$124.46 and check no. 10691 for \$270.00 to Treebeard's.

Mr. Diaz presented check numbers 10687 through 10690 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 reported on the purchase of a Certificate of Deposit at Compass Bank with an interest rate of 1.85% for a 6 month term pursuant to coordination with Director Jordan and as previously directed by the Board.

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, to authorize payment of check numbers 10660 through 10691 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

5. **Engineer's Report.** President Spitzmiller recognized Mr. Edwards, who reviewed and discussed a Ground Storage Tank Analysis and Cost Analysis, copies of which is attached as *Exhibit D*. Mr. Edwards noted soft costs for engineering and construction packages and he reported that a welded steel tank is recommended as a long term replacement.

Mr. Edwards reported on recent repairs and additional deterioration of the roof. Discussion ensued regarding reliability and feasibility of an aluminum roof. It was the consensus of the Board that replacement is not eminent this year.

The Board requested a site visit to the Ground Storage Tank. Directors Smith and Berry volunteered to inspect Ground Storage Tank No. 3 and bring a report to the Board next month. Discussion ensued regarding timeline for proposed design, contract bid, award of construction contract and construction of a replacement ground storage tank. Mr. Edwards noted that costs for engineering, project management and inspection services is approximately \$90,000.00. He also reported on designing a replacement storage tank using the same tank ring to avoid costs of obtaining a variance from the City of Houston and additional permits.

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 accept the Engineer's Report.

6. **Operations Report.** The President recognized Mr. Jenkins, who presented to and reviewed with the Board the Operations Report for April 2018, a copy of which is attached hereto as *Exhibit E*. He noted that 97.89% of the water pumped was billed for the period from April 20, 2018 to May 20, 2018.

He reviewed the Major Maintenance Summary for May 2018.

Mr. Jenkins reported there are 85 accounts on the delinquent list of which 26 were disconnected for non-payment.

Mr. Jenkins next reported that the existing doors and frames at the Booster Pump building and Chlorine building Water Plant No. 1 are badly deteriorated and recommended replacement. He reviewed a proposal from ABC Doors for labor and materials to replace the doors and door frames for a cost of \$6,627.35.

Mr. Jenkins reported on a damaged automatic transfer switch at Lift Station No. 2 and stated the delta between repair cost and replacement is very close. He recommended that the District replace the automatic transfer switch and reported that Colwell Electric provided a quote for approximately \$5,740.00 for replacement.

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: (1) approve the Operations Report (2) to authorize termination of service to delinquent accounts in accordance with the District's Rate Order; (3) approve the proposal from ABC Doors for \$6,627.35; and (4) approve the quote from Colwell Electric for replacement of the automatic transfer switch at Lift Station No. 2.

7. **Developer's Report, including request(s) for capacity commitment.** No report was presented.

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

9. **Resignation of Bill Walker.** Director Walker reported that he has sold his home in the District and, regretfully tendered his resignation. The Board presented a commemorative plaque and expressed appreciation for Director Walker's 24 years of service on the Board. It was the consensus of expressions by the Board and consultants that Director Walker's service will be greatly missed.

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 July 10, 2018.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors

