

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

June 12, 2018

The Board of Directors ("Board") of Harris County Municipal Utility District No. 1 ("District") met at 2727 Allen Parkway, Suite 1100, Houston, Harris County, Texas on June 12, 2018 in accordance with the duly posted notice of the meeting, with a quorum of directors present, as follows:

Doug Caldwell, Jr., President
Craig C. Young, Vice President
James Roberson, Secretary
Danny Brown, Director
Mike Brazzell, Director

and the following absent:

None.

Also present were Mr. Mike Potter of Hays Utility South Corporation, Ms. Cara Sliva of Municipal Accounts & Consulting, Mr. Erik Spencer of Van De Wiele & Vogler, Inc., Duane Isett of Flair Custom Builders, Don Dulin of MyWaterBoard.com, Michael Murr of Murr, Inc., and Mr. James D. Bonham, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board considered the minutes of the meeting of May 8, 2018, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. The Board then reviewed the attached bookkeeper's report. The Board considered invoices presented by the bookkeeper and reviewed a schedule of District investments. The Board also reviewed the general fund budget comparison of actual versus budgeted revenues and expenditures for the fiscal year ending September 30, 2018. After review and discussion, upon unanimous vote, the Board approved the bookkeeper's report and the checks listed thereon.

3. The attorney for the District then advised that based on information provided by the Harris County Tax Assessor's Office, the District's 2017 taxes are 98.59% collected.

4. Mr. Mike Potter was then recognized by the Board and presented the operator's report reflecting 2,843 total connections in the District. The Board reviewed the water production and consumption data, and it appeared that 92.06% of the water pumped during the previous month had been accounted for. The operator reported on the operation of Water Plants No. 1 and No. 2 and Wastewater Treatment Plant No. 1 and No. 2 and advised that there were no waste discharge permit violations during the reporting period. Mr. Potter confirmed that

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Northwest Harris County Municipal District No. 19 had paid the District the North Harris County Regional Water Authority fee for water provided through the emergency interconnect. The Board also reviewed the billing and collections data which appears in the report. Upon motion duly made, seconded and unanimously carried, the Board approved the operator's report and authorized termination of services to all customers appearing on the delinquent account list in accordance with the District's Rate Order. The Board also authorized to schedule a delinquent account to be written off as uncollectable.

5. The Board then recognized Mr. Erik Spencer who presented the engineer's report. Mr. Spencer reported that the sanitary sewer manhole emergency repair at Lift Station No. 1 is complete and discussed with the Board the sale of the site where Water Plant No. 1 was located. After discussion, the Board agreed to offer the site for sale for \$49,500 provided the site is encumbered by the neighborhood deed restrictions. The engineer reported on construction of Water Plant No. 4 and reviewed with the Board activity in Lakes at Creekside subdivision. The Board approved Pay Estimate No. 1 on the Section 4 underground utility contract and authorized award of the bid for construction of Detention Pond J to the low bidder, Texan Dirt, with the bid in the amount of \$554,900. After discussion by the Board, upon unanimous vote, the Board approved the engineer's report.

6. The Board recognized Mr. Don Dulin who discussed with the Board text messaging services and advised that the service would need to be reauthorized. The Board also discussed email addresses for the Directors and agreed that each Director should have his own email address using his first name and that there should be a group list for the Board.

7. The Board then recognized Mr. Michael Murr who reviewed with the Board plans for park E in the area Princeton Place subdivision. The Board discussed the plans and the maintenance responsibility for the proposed park and agreed that the matter should be discussed with the Princeton Place Homeowners Association. The Board also discussed improvements which would result in a dry bottom pond and requested the landscape architect and engineer consider the matter.

8. The Board then considered the attached resolution regarding energy consumption and upon unanimous the resolution was approved by the Board.

There being no further business to come before the Board, the meeting was adjourned.


Secretary