

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1**

Minutes of Meeting of Board of Directors

July 10, 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 July 10, 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

and the following absent:

Mike Brazzell, Director.

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., 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 June 12, 2018, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. The Board then reviewed d 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 98.86% collected.

4. Mr. Mike Potter was then recognized by the Board and presented the operator's report reflecting 2,848 total connections in the District. The Board reviewed the water production and consumption data, and it appeared that 94.62% of the water pumped during the previous month had been accounted for. The operator reported on the operation of Water Plant No. 2 and No. 3 and Wastewater Treatment Plant No. 1 and No. 2 and advised that there were no waste discharge permit violations during the reporting period. The Board also reviewed the billing and collections data which appears in the report. Upon motion duly made, seconded and

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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.

5. The Board then recognized Mr. Erik Spencer who presented the engineer's report. Mr. Spencer advised that CenterPoint has provided the required easement document for Water Plant No. 4. The engineer also reported on the one acre Valero gas station annexation. The Board approved Pay Application No. 2 on the Lakes at Creekside, Section 4 water, sewer, and drainage contract and Mr. Spencer reported an error in the design and description of the Section 5 detention pond. It was agreed that the matter be investigated further to determine if the District is due reimbursement for the purchase price of the pond. After discussion by the Board, upon unanimous vote, the Board approved the engineer's report.

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

  
Secretary