

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

November 13, 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 November 13, 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., Mr. Duane Iselt of Flair Builders, Mr. Daniel Pereyra of Environmental Allies, Mr. 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 October 9, 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, 2019. 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 99.6% collected.

4. Mr. Mike Potter was then recognized by the Board and presented the operator's report reflecting 2,893 total connections in the District. The Board reviewed the water production and consumption data, and it appeared that 92.46% of the water pumped during the previous month had been accounted for. The operator reported on the operation of Water Plant No. 1 and No. 2 and Wastewater Treatment Plant No. 1 and No. 2 and advised that there were no

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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 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 considered amendment to the operator's contract, and upon unanimous vote, the amendment was approved effective December 1, 2018.

6. The Board then considered amendment of the District's Rate Order to reflect adjustment in the operator's contract, and upon unanimous vote, the amended Rate Order was adopted by the Board.

7. The Board then reviewed proposals for renewal of the District's insurance coverage, and after discussion, it was agreed that a competing proposal be solicited and that Director Caldwell be authorized to execute the proposals he deems most advantageous.

8. The Board then recognized Mr. Erik Spencer who presented the engineer's report. The Board authorized award of the M109 drainage channel rehabilitation project to Environmental Allies and authorized advertisement for bids for the rehabilitation project between Princeton Place and Wimbledon Falls, as well as construction of the Wimbledon Falls detention pond remediation. The Board approved the pay applications reflected in the report and Mr. Spencer reported that eight easements are required for plan approval in Lakes at Creekside Section 5. The Board approved a submerged storm sewer agreement for Lakes at Creekside Section 6, and reviewed the status of development of Lakes at Creekside Sections 1 through 6 and detention ponds. After discussion by the Board, upon unanimous vote, the Board approved the engineer's report.

9. Mr. Michael Murr was then recognized by the Board and advised that bids for the park and trail project will be received on November 27, 2018 and that a pre-bid meeting would be held in the District. The Directors were invited to the pre-bid conference.

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


Secretary