

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

March 12, 2019

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 March 12, 2019, 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., Mr. Daniel Pereyra of Environmental Allies, Ms. Janet Stallings of Princeton Place HOA, Mr. Nate Anthony, a resident of the Wimbledon Falls subdivision, Mr. Dominic Cashiola of Classic Messaging Service, 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 February 12, 2019, 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. The Board reviewed correspondence received from the Harris County Constable regarding a rate increase to be effective in 2020. The Board also reviewed a proposed five-year forecast prepared by the bookkeeper. 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 2018 taxes are 96.95% collected.

4. Mr. Mike Potter was then recognized by the Board and presented the operator's report reflecting 2,903 total connections in the District. The Board reviewed the water production and consumption data, and it appeared that 88.46% of the water pumped during the

previous month had been accounted for. The operator advised that he would investigate water leaks and confirm the status of the meter replacement program. 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 waste discharge permit violations during the reporting period. The Board also reviewed the billing and collections data which appears in the report. Mr. Potter reported that after investigation on the Harfield account the operator will assume responsibility for some of the charges incurred by the Harfield's. Mr. Potter advised that his office will apologize to the Harfield's for the errors, credit the Harfield's account and assume responsibility for the charges. 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 recognized Mr. Erik Spencer who presented the engineer's report. The Board approved the pay applications reflected in the report and discussed noise complaints in the area of the Water Plant No. 4 construction. The Board requested the engineer notify residents in the area prior to future long-term testing of the well. Mr. Spencer reviewed with the Board a draft capital improvement and maintenance plan, and the Board agreed to review the same and consider additions and modifications. The engineer then reported on the status of development in Lakes at Creekside subdivision. 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