

MINUTES OF MEETING OF BOARD OF DIRECTORS
March 10, 2015

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 162

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 162 (the "District") met in regular session, open to the public, at the offices of H2O Consulting, 5870 Hwy 6, Houston, Texas 77084, on March 10, 2015 at 3:00 p.m.; whereupon the roll was called of the members of the Board, to-wit:

Vacant, President
John Parrish, Vice President
Steve Rickelman, Treasurer
Penny Johnson, Secretary
Susan McClure, Assistant Secretary

All members of the Board were present. Also attending all or parts of the meeting were Ms. Patty Rodriguez of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Ms. Karrie Kay of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Chris Hoffman of H2O Consulting ("H2O"), operator of the District's facilities; Mr. Jonathan St. Romain of Brown & Gay Engineers, Inc. ("BGE"), engineers for the District; and Ms. Jana Cogburn and Ms. Shaila Shah of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

The Vice President called the meeting to order in accordance with notice posted pursuant to law, copies of Certificates of Posting of which are attached hereto as Exhibit "A," and the following business was transacted:

1. **Approve Minutes.** Consideration was given to the approval of the minutes of the regular meeting of February 10, 2015, copies of which were previously distributed to the Board. Upon motion by Director Johnson, seconded by Director Rickelman, after full discussion and the

question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of February 10, 2015, as presented.

2. Appointment of Director. The Vice-President recognized Mrs. Odell. Ms. Cogburn said that Mrs. Odell had completed her oath of office and statement of appointed officer and was qualified to serve on the Board. Upon motion by Director Johnson seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted unanimously to appoint Mrs. Odell to the Board.

3. Review Bookkeeper's Report and authorize payment of bills. Ms. Kay presented to and reviewed with the Board the Bookkeeper's Report, the Investment Report, the Operating Budget, the Cash Flow Comparison and the Energy Usage Report, copies of which are attached hereto as Exhibit "B." Discussion ensued regarding \$189.18 in lodging expenses for a third night at the January AWBD conference. Upon motion by Director Johnson, seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted unanimously to have Director Parrish reimburse the District the amount of \$189.18. Upon motion by Director Johnson, seconded by Director McClure, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to authorize payment of check nos. 4532 through 4552 from the Operating Account, each in the amounts, to the persons, and for the purposes described in the Bookkeeper's Report, and to approve the Investment Report.

4. Review report by Tax Assessor and Collector's Report and authorize payment of certain bills. Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as Exhibit "C." Ms. Rodriguez stated that the District has collected 95.4% of its 2014 taxes. Upon motion by Director

Rickelman, seconded by Director Johnson, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor and Collector's Report and to authorize payment of check nos. 1033 through 1039 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

5. Review and approve Operations Report and authorize repairs. Mr. Hoffman presented to and reviewed with the Board the Operations Report for the month of February 2015, a copy of which is attached hereto as Exhibit "D." Mr. Hoffman reported that the District pumped 300,000 gallons of water and purchased 9,441,000 gallons of water from the West Harris County Regional Water Authority during the last period and that H2O accounted for 93.15% of the water pumped and purchased by the District during the last period.

Mr. Hoffman stated that the fence line along the ditch was tagged and that H2O painted over the graffiti and filed a report with the Sherriff's office.

Mr. Hoffman reported that H2O is continuing to repair items noted in the hydrant survey at a cost-to-date of \$1,367.86.

Mr. Hoffman reported that H2O has begun the hydrant pressure washing and painting project at an estimated cost of \$4,500.00.

Mr. Hoffman reported that replacement of the water main and the driveway on Ridge Park is complete at a cost to the District of \$10,607.66.

Mr. Hoffman reported that surveying of the valves in Southdown has begun at an estimated cost of \$7,500.00.

Mr. Hoffman reported that H2O repaired a 2” tapline leak at 15810 Longenbaugh, replaced a sidewalk and reset the landscaping at a final cost of \$3,859.24.

Mr. Hoffman stated that a violation notice from the TCEQ relating to the lead monitoring was received, a copy of which is attached to the Operations Report and that H2O had responded with proof of timely reporting of the notices and certifications that were allegedly not made.

6. Review Engineer’s Report. Mr. St. Romain presented to and reviewed with the Board the Engineer’s Report, a copy of which is attached hereto as Exhibit “E.”

Mr. St. Romain requested that the Board sign the Meadow Village sanitary sewer line rehabilitation project contract documents for the contract with Cruz Tec, Inc. in the amount of \$199,599.60.

Mr. St. Romain stated that Camino Services, LLC has completed the Meadow Village Drive Pavement Repair and submitted Pay Estimate No. 1 and a Final, a copy of which is attached hereto as Exhibit “F.” Upon motion by Director Johnson, seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted unanimously to accept Pay Estimate No. 1 and Final and pay \$29,538.50 to Camino Services, LLC and to authorize execution of the contract with Cruz Tech, Inc. for the Middlegate Village Sanitary Sewer Rehabilitation.

7. Discuss CJOB meeting. Mr. Hoffman reported that there was extensive discussion on the Sanitary Sewer Rehabilitation Project. He stated that the Operations Building is approximately 99% complete and that he anticipates the building to be operational by March 2015. Mr. Hoffman stated there were no major repairs last month at the Copperfield Wastewater

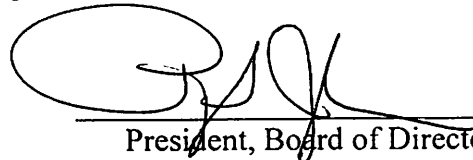
Treatment Plant. He added that Sprint Waste has now replaced Republic Waste for waste disposal services.

8. **District Website.** Director McClure stated that the January 2015 minutes need to be added to the website.

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 April 14, 2015.



President, Board of Directors

ATTEST:


Secretary, Board of Directors

