

MINUTES OF MEETING OF BOARD OF DIRECTORS  
May 10, 2016

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 7546 Club Lake Drive, Houston, Texas, on May 10, 2016 at 3:00 p.m.; whereupon the roll was called of the members of the Board, to-wit:

Penny Johnson, President  
Susan McClure, Vice President  
Steve Rickelman, Treasurer  
Karen Odell, Secretary  
John Parrish, 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 and Mr. Joshua Board of H2O Consulting ("H2O"), operator of the District's facilities; Ms. Alene Efaw of Brown & Gay Engineers, Inc. ("BGE"), engineers for the District; Ms. Shannon Waugh of Off Cinco; and Ms. Shaila Shah of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

The 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. **Public Comments.** Director Johnson recognized Ms. Waugh, who presented to and reviewed with the Board a proposal for website administrative services, a copy of which is attached hereto as Exhibit "B." Ms. Waugh presented options for website redesign and monthly maintenance. Discussion ensued. The Board did not take any action at this time.

Director Parrish entered the meeting at this time.

2. **Approve Minutes.** Consideration was given to the approval of the minutes of the regular meeting of April 12, 2016, copies of which were previously distributed to the Board. Mr. Board reported that the April Operator's Report was incorrect, and provided the Board with the correct amount of water purchased and pumped. Ms. Shah stated that she would make the correction to the April minutes. Upon motion by Director Odell, seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted, with Director Parrish abstaining, to approve the minutes of the regular meeting of April 12, 2016, with the corrected information.

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 "C."

Upon motion by Director Odell, 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. 4854 through 4877 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 "D." Ms. Rodriguez stated that the District has collected 97.5% of its 2015 taxes.

Ms. Rodriguez reported that a tax suit was filed against the property owners of 15327 Pebble Lake Drive.

Upon motion by Director Rickelman, seconded by Director Parrish, 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. 1081 through 1085 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. Board presented to and reviewed with the Board the Operations Report for the month of April 2016, a copy of which is attached hereto as Exhibit "E." Mr. Board reported that the District pumped 385,000 gallons of water and purchased 9,055,000 gallons of water from the WHCRWA during the last period.

Mr. Board reported that the exterior coating repairs at the Water Plant are scheduled to begin at the end of May at an estimated cost of \$12,000.

Mr. Board reported that the high level ground storage tank alarm failed and had to be replaced at a final cost of \$2,509.50.

Mr. Board stated that annual preventative maintenance of the booster pump was completed and that the block heater was replaced at a final cost of \$1,812.99.

Mr. Board stated that the annual well engine preventive maintenance was completed and that the well is in excellent condition.

Mr. Board discussed the Automatic Meter Program with the Board, stating that he will continue to update the Board with progress from the other districts before moving forward.

Mr. Board reported that the repair to the sewer back up on Pebble Lake is complete at a final cost of \$2,046.80.

Mr. Board reported that Phase E of the cleaning and televising of the sewer line is scheduled to begin on May 23, 2016.

Mr. Board reported that H2O submitted the required update for the Total Coliform Rule to the TCEQ on March 31, 2016 at final cost of \$1,907.50.

Mr. Board stated that H2O has begun bench line testing at the water plant and in the field for Nitrate and Nitrites for the new Nitrification Action Plan.

Mr. Board presented to and reviewed with the Board the draft of the Consumer Confidence Report, a copy of which is attached hereto as Exhibit "F."

Mr. Board reported that H2O has begun performing irrigation audits in the District.

Upon motion by Director Parrish, seconded by Director Odell, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Consumer Confidence Report, pending changes and updates by H2O.

**6. Approve Consumer Confidence Report.** This item was approved in item no. 5.

**7. Review Engineer's Report.** Ms. Efaw presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "G."

Ms. Efaw reported that the yearly exterior inspection of the 610,000 gallon ground storage tank at the water plant is scheduled for May 16, 2016.

Ms. Efaw reported that H2O is coordinating the cleaning and televising of Phase E of the sewer lines.

**8. Discuss addition of additional designated meeting locations and take any necessary action.** Upon motion by Director Rickelman, seconded by Director McClure, after full discussion and the question being put to the Board, the Board authorized the addition of the Copperfield Joint Operations building, the Bob Leared office, and the Brown & Gay office to the designated meeting locations resolution.

**9. Qualify Directors and Election of Officers.** Certificates of Election were presented for those candidates elected to the Board. Upon motion by Director Rickelman, seconded by Director Odell, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Certificates of Election for Directors Johnson, Odell, and Parrish.

It was noted that each of the elected individuals executed the necessary Statement of Officer and Oath of Office qualifying them to serve as a Director. It was the consensus of the Board to maintain the current officer positions.

**10. Discuss Copperfield Joint Operations Board ("CJOB") meeting.** Director McClure reported that AECOM submitted the completed project information forms to the Texas Water Development Board ("TWDB"), and sent a request requesting additional water reimbursement credits to West Harris County Regional Water Authority ("WHCRWA"). Director McClure reported that AECOM is waiting for a response from both the TWDB and WHCRWA.

Director McClure stated that AECOM agreed to prepare a district specific information sheet regarding the water reuse project. Director McClure stated that once received, each District can discuss finance options with its financial advisors.

**11. Review District website.** Director McClure stated that the website is missing the February minutes, that the Calendar of Events has not been updated, and that the Engineer information is wrong. Ms. Shah stated that she will follow up with the website administrator and ask him to update the information.

The Board requested that Ms. Shah invite Texas Network to attend the June meeting to discuss the concerns with the website. The Board also requested an additional presentation by Phillip Alexander. Ms. Shah stated that she will invite him to present at the June meeting.


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 June 14, 2016.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors

