

MINUTES OF MEETING OF BOARD OF DIRECTORS  
December 13, 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 the offices of H2O Consulting, 5870 Hwy 6, Houston, Texas 77084, on December 13, 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 BGE, Inc. ("BGE"), engineers for the District; 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. Approve Minutes.** Consideration was given to the approval of the minutes of the regular meeting of November 8, 2016, copies of which were previously distributed to the Board. Upon motion by Director Odell, 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 November 8, 2016, as presented.

**2. 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."

Upon motion by Director Odell, seconded by Director Rickelman, 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. 5052 through 5085 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.

**3. 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 7.1% of its 2016 taxes.

Ms. Rodriguez reviewed the delinquent account list with the Board and stated that the Goshorns and Johnsons are on payment plans.

Upon motion by Director Odell, 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. 1112 through 1115 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

**4. Review and approve Operations Report and authorize repairs.** Mr. Board presented to and reviewed with the Board the Operations Report for the month of November 2016, a copy of which is attached hereto as Exhibit "D." Mr. Board reported that the District pumped 465,000 gallons of water and purchased 9,375,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that the control room coating repair is complete at an estimated cost of \$11,500. Mr. Board stated that the project will be invoiced in January.

Mr. Hoffman reported that the total chlorine & ORP analyzer and the ammonia analyzer for the both the surface water monitoring and the distribution water monitoring have been installed. Mr. Hoffman stated that training still needs to be scheduled.

Mr. Board stated that there was an air leak on the underground hydrotank piping. Mr. Board stated that H2O excavated and repaired the piping at a final cost of \$2,355.79.

Mr. Board updated the Board with progress on the Automatic Meter Program by other nearby districts. Discussion ensued regarding the various types of automatic meters available.

Mr. Board reported that the repair on the tap line leak at 15302 Quite Creek is complete at a final cost of \$3,060.76.

Mr. Board reported that H2O repaired a main break leak at 8403 Windy Cove. Mr. Board stated that the sidewalk has been replaced and that the landscaping is scheduled to be replaced. Mr. Board reported that the cost to date is \$2,360.05.

Mr. Board stated that H2O and BGE reviewed the tapes from the televising of the sewer lines on Meadow Village and West Road. Mr. Board stated that the tapes show sags on the West Road sanitary sewer line that will continue to require maintenance. Mr. Board stated that the Meadow Village sanitary sewer line has cracks. Mr. Board stated that H2O will continue to clean the West Road sanitary sewer line and monitor the Meadow Village sanitary sewer line.

Mr. Board reported that H2O has begun the survey of the Northmead manholes.

Mr. Board stated that H2O is continuing the bench line testing for the Nitrification Action Plan.

**5. 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 "E."

Ms. Efaw reported on the sanitary sewer rehabilitation project for Southdown Village, Section 1, stating that the designs are underway. Ms. Efaw stated that BGE plans to submit the plans to Harris County for review the week of December 12, 2016.

Ms. Efaw stated that the drainage impact study was submitted to Harris County Flood Control the week of November 14, 2016. Ms. Efaw stated that she anticipates receiving comments within four to six weeks after the submittal.

Ms. Efaw stated that the water plant ground storage tank no. 1 and the two hydroneumatic tanks internal and external inspections were completed.

Ms. Efaw stated that WHCRWA requested information regarding the water system for the District. Ms. Efaw stated that BGE will submit the requested information to H2O, who will provide additional information and submit to WHCRWA.

**6. Approve filing of Annual Financial Disclosure Information.** Ms. Shah requested authorization to file the Disclosure Report with the Municipal Securities Rulemaking Board, a copy of which is attached hereto as Exhibit "F" and noted that it will be posted for public view on the Electronic Municipal Market Access (EMMA) website. Ms. Shah stated that the Audit Report will also be submitted with the Disclosure Report. Upon motion by Director McClure, seconded by Director Parrish, after full discussion and the question being put to the Board, the Board voted unanimously to authorize NRF to file the Disclosure Report and the Audit Report with the Municipal Securities Rulemaking Board.

**7. Discuss Copperfield Joint Operations Board "CJOB" meeting.** Director McClure stated that Mr. Gary Struzick, Board member on the WHCRWA, attended the November CJOB meeting. Director McClure stated that Mr. Struzick discussed the WHCRWA policies regarding water reuse projects.

Mr. Hoffman stated that AECOM will work with Mr. Struzick to update the plans and cost analysis that were submitted to reflect the comments received from the WHCRWA.

**8. Review District website and take any necessary action.** Director McClure stated that the website is up to date and all information presented is correct.

THERE BEING NO FURTHER BUSINESS to come before the Board, the meeting was adjourned.

\* \* \*

The foregoing minutes were passed and approved by the Board of Directors on January 10, 2017.

Steve McClure  
President, Board of Directors

ATTEST:

Karen E. O'Neil  
Secretary, Board of Directors

