

MINUTES OF MEETING OF BOARD OF DIRECTORS
April 11, 2017

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 April 11, 2017 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 except Director Johnson. 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. ("MCI"), 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. Erika Smiley of Norton Rose Fulbright US LLP ("NRF"), attorney 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 March 14, 2017, copies of which were previously distributed to the Board. Upon motion by Director Parrish, 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 March 14, 2017, 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. 5160 through 5179 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 96.6% of its 2016 taxes.

Ms. Rodriguez reported she had made a wire transfer to the general fund in the amount of \$5,065.67.

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 Tax Assessor and Collector's Report, and to authorize payment of check nos. 1125 through 1127 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. Hoffman presented to and reviewed with the Board the Operations Report for the month of March 2017, a copy of which is attached hereto as Exhibit "D." Mr. Hoffman reported that the District pumped 319,000 gallons of water and purchased 8,003,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that H2O issued a back charge for the hydrant at the 8500 block of Pearl Lake that was replaced at final cost of \$7,407.07. He requested authorization to send a back charged account to the collections.

Mr. Board reported that H2O is monitoring the implementation of smart meters in HCMUD 208 and HCMUD 172.

Mr. Board reported that H2O replaced a broken fire hydrant on West Road and Highway 6 at a final cost of \$7,000.

Mr. Board reported that the annual water line valve survey for Southdown is complete and that H2O is beginning repairs.

Mr. Board reported that the sanitary sewer line point repair and replacement of sidewalk and landscaping is complete at a final cost of \$4,505.88.

Mr. Board reported that H2O has completed the semi-annual line cleaning at West Road at a final cost of \$1,601.98.

Mr. Board reported that the Nitrification Action Plan Benchmark Testing Report is complete and posted at the water plant at a final cost of \$3,797.94.

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 Operations Report, and to authorize the back-charged account to be sent to collections.

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. She stated that the District received six bids and recommended awarding the contract to Layne Inliner, LLC, who submitted the lowest total bid in the amount of \$72,132.

Ms. Efaw reported on the Southdown Village Drainage Impact Study stating that Harris County has issued additional comments and BGE is addressing them.

Ms. Efaw reviewed with the Board a Notice of Meeting letter from the city of Houston, a copy of which is attached hereto as Exhibit "F."

Upon motion by Director Parrish, seconded by Director Rickelman, after full discussion and the question being put to the Board, the Board voted unanimously to award the contract for the sanitary sewer rehabilitation project to Layne Inliner, LLC in the amount of \$72,132.

6. Discuss Copperfield Joint Operations Board "CJOB" meeting. Director McClure reviewed the Operations Report presented at the March CJOB meeting.

7. Review District Website and take any necessary action. There was no action taken.

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 May 9, 2017.



President, Board of Directors

ATTEST:



Secretary, Board of Directors