

MINUTES OF MEETING OF BOARD OF DIRECTORS  
May 9, 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 May 9, 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. 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 April 11, 2017, copies of which were previously distributed to the Board. Upon motion by Director Parrish, seconded by Director McClure, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of April 11, 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 Parrish, 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. 5180 through 5194 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 97.0% of its 2016 taxes.

Ms. Rodriguez reported that check no. 1130 to DBI Investments is a refund as a result of adjustments.

Ms. Rodriguez informed the Board that the Copperfield Athletic Club ("CAC") is contesting their property value and still has not paid their 2016 taxes. She also noted that CAC is required to pay taxes on the amount they are not contesting.

Upon motion by Director Rickman, 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. 1128 through 1131 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

**4. Consumer Confidence report.** Mr. Board reviewed Consumer Confidence Report, a copy of which is attached to the Operations Report. 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 approve and authorize distribution of the Consumer Confidence 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 2017, a copy of which is attached hereto as Exhibit "D." Mr. Board reported that the District pumped 409,000 gallons of water and purchased 9,500,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that H2O completed annual water plant maintenance on the well auxiliary engine for a final cost of \$1,137.

Mr. Board reported that the semi-annual well production test and annual vibration test was completed at a final cost of \$795.16.

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

Mr. Hoffman reported that H2O is switching billing systems within the next 60 days.

**6. 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 presented the contract for the sanitary sewer rehabilitation project for Southdown Village, Section 1 for signature. She stated that a pre-construction meeting will be set up for the week of May 22, 2017.

Ms. Efaw reported on the Southdown Village Drainage Impact Study stating that BGE met with Harris County to discuss the additional comments. She also stated that the drainage report has been resubmitted for review.

Ms. Efaw reported that BGE recommends the District start the design of the electrical improvements at the Water Plant. She noted that the design process is estimated to take four months at an estimated cost of \$644,000. It was the consensus of the Board to direct Ms. Efaw to provide the Board with a written estimate on construction cost and time to complete.

**7. Discuss Copperfield Joint Operations Board “CJOB” meeting.** Director McClure reviewed the Operations Report presented at the April CJOB meeting.


**8. 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.

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The foregoing minutes were passed and approved by the Board of Directors on June 13, 2017.

  
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President, Board of Directors

ATTEST:  
  
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Secretary, Board of Directors