

MINUTES OF MEETING OF BOARD OF DIRECTORS

July 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 July 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 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 June 13, 2017 and the special meeting of June 28, 2017, copies of which were previously distributed to the Board.

Director Parrish noted that the minutes of June 28, 2017 should reflect that it was a special meeting.

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 June 13, 2017, as presented, and the special meeting of June 28, 2017, as revised.

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."

Ms. Kay noted the Certificate of Deposit with Texan Bank matured and was renewed at the same rate.

Ms. Kay noted that check no. 5248 to Layne Inliner in the amount of \$55,77.40 for the Sanitary Sewer Rehabilitation is not included in the report.

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 accept the Bookkeeper's Report, to authorize payment of check nos. 5230 through 5248 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 97.8% of its 2016 taxes.

Ms. Rodriguez stated that Copperfield Athletics has not been in contact with BLI and the delinquent tax attorney will take over attempting to collect the account.

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 Tax Assessor and Collector's Report, and to authorize payment of check nos. 1136 through 1143 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 June 2017, a copy of which is attached hereto as Exhibit "D." Mr. Board reported that the District pumped 441,000 gallons of water and purchased 12,300,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that the GST Level Chart Recorder at the water plant failed and had to be replaced at a final cost of \$4,429.25.

Mr. Board reported that H2O pressure washed the inside and outside of the fence around the water plant and visually inspected the condition. He noted that H2O will make minor repairs and continue to monitor.

Mr. Board presented a comparison of the two vendors for Automatic Meter Reading. Discussion ensued. It was the consensus of the Board to have H2O draft talking points for the automatic meter installation.

Mr. Board reported that H2O completed the annual fire hydrant maintenance and minor repairs are underway at a final cost of \$1,922.26.

Mr. Board reported that the annual isolation valve survey was completed and minor repairs are underway at a final cost of \$1,787.07.

Mr. Board reported on the 2-inch tapline leak on West Road, stating that H2O replaced the ramp and the site is being restored.

Mr. Board reported that H2O repaired a main break on Ridge Park on an 8-inch shared waterline. He also stated that the driveway apron has been replaced and the site is being restored.

Mr. Board reported that the Sanitary Sewer Point Repair at 15634 High Field is complete at an estimated cost of \$6,500.00.

Mr. Board reported that H2O is sampling for lead and copper at customer's homes in the District this month for our regular three year testing.

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 Southdown Village Section 1, stating that the project has been completed and rehabilitation tapes have all been reviewed. She also recommended approval of Pay Estimate No. 1 to Layne Inliner, in the amount of \$55,778.40.

Ms. Efaw reported on Water Plant Electrical Improvements, stating that BGE will start the design process for the improvements.

Ms. Efaw reported that BGE received plans for a Planet Fitness.

Ms. Efaw reported that she discussed with Ms. Cogburn the best way to distribute the results of the drainage study results to the interested residents. She stated that the method of distributing the results is up to the Board. Ms. Efaw noted that the original plans were in accordance with the specifications at that time of construction. Discussion ensued.

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 accept the Engineer's Report and to approve the Sanitary Sewer Rehabilitation Pay Estimate No. 1 to Layne Inliner in the amount of \$55,778.40. The Board requested BGE draft a summary of the drainage study for posting on the District's website and contact Harris County for financial input regarding the drainage study results.

6. Discuss Copperfield Joint Operations Board "CJOB" meeting. Ms. McClure reviewed the Operations Report presented at the June 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 August 8, 2017.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

