

MINUTES OF MEETING OF BOARD OF DIRECTORS
April 10, 2018

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 7926 Highway 6 North, Houston, Texas 77095, on April 10, 2018, 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. Joshua Board and Mr. Chris Hoffman 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 13, 2018, copies of which were previously distributed to the Board. Upon motion by Director McClure, 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 13, 2018, as presented.

Director Parrish entered the meeting at this time.

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 Rickelman, 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. 5442 through 5462 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 97.06% of its 2017 taxes.

Ms. Rodriguez reported that the Copperfield Athletic Club contacted the District's delinquent tax attorney and inquired about a payment plan for past due taxes. She stated that although the Copperfield Athletic Club has not made a formal payment plan request, the delinquent tax attorney wanted authorization in case the club does make that request. Discussion ensued. It was the consensus of the Board to authorize a six month payment plan.

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 accept the Tax Assessor and Collector's Report, and to authorize payment of check nos. 1177 through 1179 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 March 2018, a copy of which is attached hereto as Exhibit "D." Mr. Board reported that the District pumped 6,023,000 gallons of water and purchased 3,161,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that the well controls failed and needed to be replaced for a final cost of \$1,593.25.

Mr. Board recommended taking GST No. 1 out of service so BGE can perform the five year internal evaluation.

Mr. Board reported that H2O installed one 2 inch commercial meter that was under registering water.

Mr. Board reported that a valve stack was replaced at 8215 Greenbank for a final cost of \$1,967.22. He noted that the sidewalk and landscaping were replaced.

Mr. Board reported that a valve stack was replaced at 15503 Windy Cove for a final cost of \$1,914.95. He noted that the sidewalk and landscaping were replaced.

Mr. Board reported that H2O is completing the semi-annual Fire Hydrant Maintenance in Southdown.

Mr. Board stated that H2O recommends painting the fire hydrants in the District for an estimated cost of \$4,000.

Mr. Board reported that H2O completed a sewer line point repair at 15526 Windy Cove. He stated that there is only minor concrete work left to be completed.

Mr. Board reported that H2O is looking into providing emergency alerts to the customers via email or text messaging.

Mr. Board reported H2O will follow up with homeowners to confirm that the deficiencies in their private sanitary sewer system that were discovered as a result of smoke testing have been repaired.

Mr. Board reviewed a request for a bill adjustment from the resident at 8326 Clover Gardens. Discussion ensued. 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 offer the resident a six month payment plan.

Upon motion by Director McClure, seconded by Director Odell, after full discussion and the question being put to the Board, the Board voted unanimously take the GST out of service for evaluation and to authorize H2O to paint the fire hydrants.

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 that BGE is finishing the design for the Water Plant Electrical Improvements.

Ms. Efaw reported on the Water Plant Electrical Improvements Project, requesting approval to authorize in the Houston Business Journal. 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 authorize advertising for bids for the Water Plant Electrical Improvements Project in the Houston Business Journal on April 20 and April 27.

6. **Discuss Copperfield Joint Operations Board “CJOB” meeting.** Mr. Board reviewed the Operations Report presented at the March CJOB meeting.

7. **Review District Website and take any necessary action.** Director McClure reported that she reviewed the website.

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 _____, 2018.



President, Board of Directors

ATTEST:


Secretary, Board of Directors

