

MINUTES OF MEETING OF BOARD OF DIRECTORS
May 8, 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 May 8, 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, Mr. Chad King and Mr. Chris Hoffman of H2O Consulting ("H2O"), operator of the District's facilities; Mr. Nelson Gaez 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 10, 2018, 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 April 10, 2018, 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 McClure, seconded by Director Parrish, 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. 5463 through 5488 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 97.21% of its 2017 taxes.

Ms. Rodriguez reported that the Copperfield Athletic Club contacted the District's delinquent tax attorney to request a six-month payment plan. She stated that the request was granted by the delinquent tax attorney.

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. 1180 through 1183 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 April 2018, a copy of which is attached hereto as Exhibit "D." Mr. Board reported that the District pumped 1,355,000 gallons of water and purchased 8,186,000 gallons of water from the West Harris Regional Water Authority ("WHCRWA") during the last period.

Mr. Board reported that GST No. 1 was inspected and returned to service after passing Bac-T at a final cost of \$3,024.98

Mr. Board reported that the booster pump engine was tuned up to improve the way it runs for a final cost of \$979.67.

Mr. Board reported that the Semi-Annual Well Production and Vibration Test is attached to the Operations report.

Mr. Board reported that H2O installed six 5/8 inch meters to replace stuck meters and the meter for the resident at 8326 Clover Gardens.

Mr. Board reported that H2O has completed fire hydrant maintenance and begun painting the fire hydrants.

Mr. Board reported that the point repair at 15526 Windy Cover is complete at a final cost of \$4,476.95.

Mr. Board reported that H2O is continuing to work on the manhole survey.

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

Mr. Board reported H2O followed 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. Hoffman reviewed Consumer Confidence Report (“CCR”), a copy of which is attached to the Operations Report. It was the consensus of the Board to mail a physical copy of the 2017 CCR this year and place a link to the 2018 CCR in the bill next year.

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 distribution of the 2017 CCR.

5. Approve Consumer Confidence Report. This was addressed under the Operations Report.

6. Review Engineer's Report. Mr. Gaez presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "E."

Mr. Gaez reported that BGE has finished the design for the Water Plant Electrical Improvements. He stated that the District received 3 bids and W. W. Payton Corporation submitted the lowest bid. Mr. Gaez recommended awarding the project to W. W. Payton Corporation in the amount of \$468,000.

Upon motion by Director Parrish, seconded by Director Odell, after full discussion and the question being put to the Board, the Board voted unanimously award the Water Plant Electrical Improvement project to W. W. Payton Corporation in the amount of \$468,000.

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. Director McClure reported that she reviewed the website and noted updates. Ms. Smiley stated that she would review the website and send the appropriate documents for website posting.

It was the consensus of the Board to hold its annual budget meeting on June 11, 2018, at 6:00 at H2O Consulting.

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 _____, 2018.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

