

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors September 14, 2016

The meeting of the Board of Directors (“Board”) of Harris County Municipal Utility District No. 248 (“District”) was held at 2727 Allen Parkway, Suite 1100, Houston, Texas 77019 on September 14, 2016 with a quorum of Directors present, as follows:

A. Richard Wilson, President
Michael D. Yancey, Vice President
Long Nguyen, Secretary
Richard Ford, Director
E. Paul Daigle, Jr., Director

and the following absent:

None.

Also present were Mr. Bob Ideus, Mr. Jerry Homan, Mr. Greg Sissel, Ms. Pat Hall, Mr. Matt Dustin, Mr. Loren Morales, Mr. John Moy, and Mr. Wm. Scott Smith.

The meeting was called to order and declared open for such business as might regularly come before it.

1. The Board reviewed the minutes of the meeting held on August 10, 2016. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Mr. Sissel presented the audit report for the fiscal year ending March 31, 2016. The report contains an unqualified opinion. The Board noted the excellent financial condition of the District. Upon motion duly made, seconded and unanimously carried, the Board approved the audit report and authorized its distribution to the appropriate parties.

3. The Board then reviewed its Investment Policy in accordance with the terms of the Texas Public Funds Investment Act and determined that no changes to the policy are warranted at this time.

4. Ms. Hall presented the tax assessor-collector’s report indicating that 2015 taxes are 99.6% collected. The Board reviewed and approved the accounts to be sent to the uncollectible roll. The total value in the District for the year 2016 from the Harris County Appraisal District is approximately \$431 million, up from \$385 million in the prior year. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector’s report and the checks drawn on the tax fund.

5. Mr. Morales and Mr. Dustin presented the 2016 tax rate recommendation. Based on the District’s debt service requirements and operating needs, the financial advisors

recommended a tax rate of \$0.49 per \$100 assessed valuation for debt service, and \$0.03 per \$100 assessed valuation for maintenance and operations. This is a total tax rate of \$0.52 per \$100 assessed valuation, versus a tax rate of \$0.55 in the prior year. Upon motion duly made, seconded and unanimously carried, the Board approved the proposed tax rate of \$0.52 per \$100 assessed valuation and authorized the tax assessor-collector to publish notice as required.

6. Mr. Ideus presented the bookkeeper's report, a copy of which is attached. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon.

7. Mr. Homan presented the operator's report and stated that the new website is live, and several customers have used the payment option on the website. There were 745 bills mailed and water accountability was 97% for the year. There were ten bacteriological samples taken. The lead and copper testing is complete, and the operator is awaiting the results from the laboratory. Mr. Homan also stated that Texas Representative Schofield will be holding a meeting on the proposed high-speed rail system that is proposed to pass through the District. The Board then unanimously approved the transfer of certain water accounts to the collection agency. The operator then submitted a list of delinquent accounts to the Board for termination of utility service and stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. The operator noted that the accounts listed have neither attended the Board meeting nor contacted the operator's office or the District to contest or explain the charges. Accordingly, utility service to said accounts was authorized to be terminated pursuant to the provisions of the District's Rate Order.

8. Mr. Moy presented the engineer's report and stated that a new pipeline company, Houston Pipeline Company, has requested a temporary workspace easement for relocating its pipeline under U. S. Highway 290. This is located at the detention pond near the Gander Mountain store. The Board unanimously approved the easement to the pipeline company on the same terms as the other pipeline companies. Mr. Moy stated that Duke Realty has submitted plans for signage in their development, and there appear to be no conflicts with District easements or operations. With respect to the White Oak Springs commercial tract, the water line extension is substantially complete pending final paperwork. Mr. Danesh has paid his retainer for the utility work to serve his development in the area. There was no new information on the Harris County MUD No. 222 trunk line project.

There being no further business to come before the Board, the meeting was adjourned.

Secretary