

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors
June 14, 2017

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 June 14, 2017 with a quorum of Directors present, as follows:

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

and the following absent:

None.

Also present were Ms. Jennifer Hanna, Ms. Michele Vinogradov, Mr. Jerry Homan, Ms. Pat Hall, Mr. John Moy, Mr. Bob Ideus, Mr. Peter Hardy, Mr. Sam Desai, Ms. Diane Soumang, 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 May 10, 2017. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Hall presented the tax assessor-collector's report indicating that 2016 taxes were 97.8% collected. The 20% penalty notice has been mailed to District taxpayers. The preliminary assessed valuation in the District for 2017 is \$493 million. The Board then unanimously approved the tax assessor-collector's use of the credit card billing service First Billing, and unanimously approved the contract in that regard. 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.

3. Mr. Homan presented the operator's report indicating that water accountability was 97%, and ten bacteriological samples were taken. There were 726 bills mailed to District customers. The Highway 290 construction is ongoing, with major construction on Highway 6. Mr. Homan provided reports on the Gander Mountain store and the recent Sheriff's Appreciation Day sponsored by Harris County Fresh Water Supply District No. 61. 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.

4. Mr. Smith then stated that he will be updating the critical electric load report with CenterPoint Energy to establish priority electric service restoration in the event of a hurricane or area outage.

5. 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.

6. Mr. Moy presented the engineer's report and introduced Mr. Sam Desai who owns property within the District that is currently unserved by water and wastewater service. Mr. Moy again described the difficulties and the expense involved in providing service to the tract, and he provided an estimate of approximately \$800,000 to provide sanitary sewer service to the area due to the requirements of building a lift station to City of Houston specifications. Mr. Smith reiterated the District's proposal to provide developer reimbursement to the landowners for reimbursement of the project once construction and additional value is constructed on the tract, in accordance with its prior policy and treatment of other developers. Mr. Smith also stated that he would be willing to schedule a meeting with the other landowners in the area to determine alternative solutions. Mr. Moy then stated that the application for use of surplus construction funds to reimburse the developers of the Starbucks and hotel has been submitted to the TCEQ. The Quick Lube facility is under construction. The Board also reviewed bids for the south shared trunk line video investigation. The low bidder was Clear Serve Utilities, Inc. with a bid of \$25,250. The District's share of the cost is \$13,747 which the Board unanimously approved.

7. The Board then unanimously approved a proposal from BKD, L.L.P. to conduct the developer reimbursement audit for the Starbucks and hotel water line reimbursement.

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

Secretary