

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors
December 13, 2017

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 248 ("District") was held at 2817 W. Dallas, Houston, Texas 77019 on December 13, 2017 with a quorum of Directors present, as follows:

A. Richard Wilson, President
B. 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. Pat Hall, Mr. Bob Ideus, Mr. John Moy, Mr. Jerry Homan, 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 November 8, 2017. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Mr. Ideus presented the bookkeeper's report, a copy of which is attached. The Board inquired whether the sanitary sewer rehabilitation and inspection invoice has been billed to other participants. The bookkeeper noted that such invoice will be divided among the appropriate participants. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon.

3. The Board then reviewed proposals for electricity service. Based on the prior recommendation of Director Yancey, the Board reviewed proposals from the HGAC Energy Aggregation Program. The low bidder was Engie with a 36-month term period. Upon motion duly made, seconded and unanimously carried, the Board ratified the execution of the electricity contract with Engie for 36 months.

4. Ms. Hall presented the tax assessor-collector's report indicating that 2016 taxes are 98% collected and 2017 taxes are 2.7% collected. 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. Homan presented the operator's report indicating that water accountability was 98% and 12.4 million gallons were produced during the month. The Hyatt

Place Hotel is scheduled to open in January. The operator has also been working with Mr. Moy on a repair plan for the District. The North Harris County Regional Water Authority fees are scheduled to increase by \$0.50 per 1,000 gallons on April 1, 2018. The estimated final price per 1,000 gallons from the Authority is anticipated at \$5.00-\$6.00 per 1,000 gallons. Mr. Moy noted that the Water Users Coalition is addressing issues with Harris County with respect to maintenance of roads and storm sewers. 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.

6. Mr. Moy presented the engineer's report and presented Pay Estimate No. 2 and final for the White Oak Springs Commercial Waterline Extension to serve County Line Investments. The Board unanimously authorized soliciting proposals for repairs to the sanitary sewer line based on the recent television inspection on the line. The project is not expected to exceed \$75,000. The engineer will prepare an invoice for the project and the related engineering and inspection once the project is complete. The Board requested that the engineer prepare a capital improvement and repair plan for the District to be presented at the time that the District reviews its annual budget.

7. The Board reviewed the insurance proposal for the District, a copy of which is attached. The Board requested alternatives for an increase in the public employee bond. Mr. Smith recommended that the Board approve the proposal as presented and increase the bond based on quotes to be received between now and the next Board meeting.

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

Secretary