

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248**

### **Minutes of Meeting of Board of Directors May 9, 2018**

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 May 9, 2018 with a quorum of Directors present, as follows:

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

and the following absent:

Long Nguyen, Secretary.

Also present were Mr. Patrick Newton, Mr. John Moy, Mr. Brian Breeding, Ms. Pat Hall, Mr. Bob Ideus, Mr. Matt Dustin, Mr. Loren Morales, Mr. Johnny Williams, Mr. Chad Parrish, Mr. Reed Vestal, 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 April 11, 2018. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. The Board then reviewed and approved the certificates of election and oaths of office of Director Ford and Director Daigle, who were re-elected to the Board of Directors as a result of the May 5, 2018 directors’ election having been canceled. The Board also reviewed their qualification letters and statements of elected officer. Upon motion duly made, seconded and unanimously carried, the Board voted to approve the qualifications and statements as well as the oaths of office of Director Ford and Director Daigle, and declared them to be fully qualified to enter into their next four-year term as members of the Board of Directors.

3. Ms. Hall presented the tax assessor-collector’s report indicating that 2017 taxes are 96.8% 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.

4. Mr. Homan presented the operator’s report indicating that water accountability was 100% for the month, and there were 733 bills mailed. Construction is ongoing on the U.S. Highway 290 improvements, and it is adversely impacting businesses in the area. The North Harris County Regional Water Authority fee increase has been implemented effective April 1. The Board reviewed and authorized the distribution of the Consumer Confidence Report to District customers and posting the information on the District website.

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.

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. Chad Parrish and Mr. Reed Vestal addressed the Board regarding the proposed annexation of an 8.65-acre tract into the boundaries of the District. The District's financial advisor has prepared a financial analysis of the proposed annexation. It appears that the assessed valuation generated by the proposed project is not sufficient to completely pay for the utilities to be extended without using value generated from other areas of the District. Accordingly, the Board was disinclined to approve the annexation at this time. The Board encouraged the developers to investigate alternative methods of financing the project and/or providing service to the tract, and the Board would revisit the matter at a later date.

7. Mr. Williams presented the detention pond maintenance report and updated the Board with respect to the status of the sinkhole repairs. The backslope swales will need to be regraded to add additional water collection features. The District's engineer and detention pond contractor will be preparing a scope of work for this project.

8. The Board reviewed and unanimously approved changes to the rate order for an increase in the tap fee and deposit for District customers.

9. Mr. Moy and Mr. Newton presented the engineer's report and stated that the contract for the manhole rehabilitation project is underway. The Board also received an update on the status of the alignment of the proposed high-speed rail system.

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

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Secretary