

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors
January 11, 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 January 11, 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. Pat Hall, Mr. Jerry Homan, Mr. Bob Ideus, Mr. John Moy, Mr. Loren Morales, 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 December 14, 2016. 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 are 13% collected as of the date of the report. Ms. Hall stated that some payments have been received since the report was printed. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

3. In accordance with its prior policy, upon motion duly made, seconded and unanimously carried, the Board approved a 20% general homestead exemption and a \$25,000 over 65/disabled tax exemption.

4. Mr. Homan presented the operator's report indicating that water accountability was 97%, and there were 172 million gallons of water purchased through 2016. The total water usage is less than the prior year due to the large amount of rainfall during 2016. There were 723 bills mailed, and ten bacteriological samples were taken. The operator has completed the Strategic Partnership Agreement account verification for the City of Houston. 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. Morales then presented bids for the District's Series 2017 Refunding Bonds. After discussion, upon motion duly made, seconded and unanimously carried, the Board accepted the bid of JPMorgan Chase with a yield of 2.36% to refund portions of the 2007, 2009 and 2011 bond issues. The Board authorized approval and execution of all documents related to the transaction, and delegated authority to the District's Board President to approve any other documents related to the refunding bond transaction.

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. Moy presented the engineer's report and inquired as to whether reimbursement to the District for the Duke Realty utility purchase had been completed. The bookkeeper stated that he would review the files regarding this matter. The surplus funds application to the TCEQ for reimbursement of utilities for the White Oak Springs commercial development is being prepared. Once the contract for the Danesh water line is completed, that information will be added to the surplus funds application and submitted to the TCEQ. The engineer is also reviewing plans for the Quick Lube oil change facility in the District.

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

Secretary