

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors
October 11, 2017

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 248 ("District") was held at 2701 W. Dallas, Houston, Texas 77019 on October 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 Mr. Greg Sissel, Mr. Jerry Homan, Ms. Pat Hall, 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 September 13, 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. 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 the District's investment policy. Mr. Smith stated that due to changes in state law, the investment policy must be modified. Upon motion duly made, seconded and unanimously carried, the Board approved the amended investment policy.

4. Ms. Hall presented the tax assessor-collector's report indicating that 2016 taxes were 98% collected. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

5. The Board then conducted a hearing on the proposed tax rate. The Board unanimously approved adopting the 2017 tax rate of \$0.38 for debt service and \$0.11 for operations and maintenance for a total rate of \$0.49.

6. Mr. Homan presented the operator's report indicating that there were 728 connections within the District and water accountability was 99% for the month. There were ten

bacteriological samples taken. Two hotels remain under construction in the District. The operator also noted that he is working with Harris County with respect to flooding issues in the area. The Board received one piece of customer correspondence. The customer had a bill for 35,000 gallons of water but objected to the reading. The operator had re-read the meter and offered a credit on the sewer portion of the bill. In addition, the operator waived the penalty pending the resolution of the matter by the Board. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved a waiver of \$51.00 of the sewer fee and the penalty provided the payment was made within 14 days. 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.

7. Mr. Moy presented the engineer's report and stated that the application for use of surplus funds for the Starbucks waterline has been approved. The pre-purchase inspection must be conducted prior to payment to the developers. The operator presented the results of the television inspection of the sanitary sewer trunk lines. It appears that the lines are in good shape in general; however, there are some areas that require point repairs.

8. Mr. Greg Sissel then presented the results of the developer reimbursement audit for the Huffmeister Starbucks. Upon motion duly made, seconded and unanimously carried, the Board approved the audit and authorized payment to the developer pending the result of the pre-purchase inspection.

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

Secretary