

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY UTILITY DISTRICT NO. 15 §

The Board of Directors of Harris County Utility District No. 15 met in regular session, open to the public, at its meeting place inside the boundaries of the District, at 4127 Breckenridge, Houston, Harris County, Texas on March 22, 2016. The roll was called of the members of the Board of Directors, to-wit:

Eric Goodie	President
Leonard Mattox	Vice President
Bridgett D. Kelley	Secretary
Kevin Mosley	Treasurer
Phillip Givens	Assistant Secretary

All members of the Board were present. Director Kelley entered the meeting after approval of the minutes. Director Mosley entered the meeting after the tax assessor-collector's report.

Also present were Chris Richardson of Strawn & Richardson, P.C.; Yvonne Luevano of Wheeler & Associates, Inc.; Ryan Fortner of Sales Revenue Inc.; Lonnie Wright of Municipal Operations & Consulting, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Robert Atkinson of Edminster Hinshaw Russ & Associates; Greg Lentz of Hilltop Securities; Dennis Tiff of Environmental Allies; Shanna Lopez of Waste Management; Gary Zika of Harris County Flood Control District; and Wilson McCoy of GIS Municipal Services.

WHEREUPON, the meeting was called to order by the President, and evidence was presented that public notice of the meeting had been given in compliance with the law.

1. OPENING PRAYER. Director Goodie led those assembled in prayer.

2. MINUTES OF MEETING. The Board next considered approving the minutes of the meeting of February 23, 2016. It was moved by Director Mattox and seconded by Director Givens that the minutes of the meeting of February 23, 2016 be approved, which said motion carried unanimously.

Director Kelley entered the meeting at this time

3. DIRECTOR'S REPORTS. Director Kelley requested an advance payment to purchase supplies for the Customer Appreciation Barbeque. She asked the Board to reach out to nearby elected officials to invite them to attend. Director Kelley stated the event will have a 1970's theme. Director Goodie discussed using the event as a venue to educate residents concerning the Greens Bayou beautification.

4. GENERAL MANAGER'S REPORT. Director Givens reviewed the General Manager's Report.

Gary Zika, of Harris County Flood Control District, addressed the Board regarding the plan for a new flood basin off of Greens Bayou. He expects construction to begin in the fourth quarter of 2016. Mr. Zika proposed entering into an Interlocal Agreement with Harris County UD No. 15.

Director Givens discussed the water bill inserts notifying residents of the smart meter replacements.

Director Givens discussed using the Customer Appreciation Barbeque as the venue to have residents sign up for IRIS accounts.

Director Givens reviewed the CUPPS software update.

Following further discussion, it was moved by Director Mattox, seconded by Director Kelley, and unanimously carried that the General Manager's report be approved.

5. AGREEMENT WITH CONNECT THE DOTS. The Board considered approval of the Agreement with Connect the Dots. Director Mattox reviewed the Agreement with Connect the Dots for an amount of \$5,000 in connection to the Customer Appreciation Barbeque. Director Givens stated he worked on the Agreement with Lisa Journagan.

Following further discussion, it was moved by Director Mattox and seconded by Director Givens that the Agreement with Connect the Dots be approved, which motion carried unanimously.

6. JOINT OPERATIONS REPORT. Director Givens reviewed the Joint Water Plant report.

7. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luevano presented the tax report for February, a copy of which is attached as Exhibit "A". The report reflected the District has collected 87.02% of its 2015 taxes and 99.04% of its 2014 taxes as of February 29, 2016.

Following further discussion, it was moved by Director Kelley and seconded by Director Mattox that the tax assessor/collector's report for the month of February be approved, which motion carried unanimously.

Director Mosley entered the meeting at this time.

8. DELINQUENT TAX REPORT. Ms. Luvano presented the delinquent tax report, a copy of which is attached as Exhibit "B".

Following further discussion, it was moved by Director Kelley and seconded by Director Mattox that the Delinquent Tax Report be approved, which motion carried unanimously.

9. STRATEGIC PARTNERSHIP AGREEMENT AUDIT REPORT. Ryan

Fortner presented for the Board's review the Audit Report for the Strategic Partnership Agreement. He reported there are 72 entities and 25 entities have active sales while 24 entities have no sales which qualify for tax. He added there are 14 vacant entities. Mr. Fortner reported they found no errors in the collection of tax revenue.

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the Strategic Partnership Agreement Audit Report be approved, which motion carried unanimously.

10. BOOKKEEPER'S REPORT, INVESTMENT REPORT AND PAYMENT OF BILLS. Darrell Hawthorne presented the bookkeeper's report, a copy of which is attached as Exhibit "C". Mr. Hawthorne reported some funds will be moved to Texas CLS.

Following further discussion, a motion was made by Director Kelley and seconded by Director Mattox that the bookkeeper's report be approved, that the checks listed therein be approved, and to approve an advance to Director Kelley for the Customer Appreciation Barbeque expenses. Said motion carried unanimously.

11. ANNUAL BUDGET AND JOINT WATER PLANT BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2017. Mr. Hawthorne presented for approval the annual budget for fiscal year ending March 31, 2017, a copy of which is attached as Exhibit "D". The Board discussed the annual budget.

Following further discussion, it was moved by Director Mattox and seconded by Director Kelley that the annual budget for fiscal year ending March 31, 2017 be approved, which said motion carried unanimously.

12. RESOLUTION AUTHORIZING USE OF SURPLUS FUNDS. The Board deferred this item.

13. OPERATOR'S REPORT. Lonnie Wright presented the monthly operator's report, a copy of which is attached as Exhibit "E". Mr. Wright reported there are 944 active connections in the District and no new taps. He also reviewed the preventative maintenance program.

Mr. Wright next presented the write-off list and delinquent list for approval.

Following further discussion, it was moved by Director Mattox and seconded by Director Mosley that the operator's report be approved, that the delinquent list be approved, and that the uncollectible list be approved, which motion carried unanimously.

14. REVIEW OF OPERATING AGREEMENT. The Board tabled this item.

15. ENGINEER'S REPORT. Robert Atkinson presented the engineer's report, a copy of which is attached as Exhibit "F".

Mr. Atkinson introduced Wilson McCoy of GIS Municipal Services. Wilson McCoy presented a proposal for the development of a Geographic Information System. He explained they will use the District's 2012 aerial photo and they will match the District map. Mr. McCoy stated they will also add information on the line breaks. He added that the Geographic Information System can be accessed over the internet. Following further discussion, it was moved by Director Givens and seconded by Director Mattox to authorize Mr. McCoy to proceed with the development of a Geographic Information System, which motion carried unanimously.

Mr. Atkinson reported there is inflow and infiltration into the Sanitary Sewer Line that the District shares with Harris County UD No. 14. He stated it is located at the intersection of

Greens Bayou and Greens Road. Mr. Atkinson further stated he and the operator will investigate the site.

Mr. Atkinson also reported they are preparing site plans for the developer of the proposed hotel facility located on Veterans Memorial. He stated he is seeking to arrange for capacity in the wastewater line owned by Harris County MUD No. 33; this is a more efficient route for the wastewater. Mr. Atkinson added the hotel facility will be a single user.

Mr. Atkinson informed the Board First Industrial will need to convey the Detention Basin and other areas to the District. He also discussed trees and fencing. He stated the easement will need to allow access through the fences and trees without a cost to replace the fence. Mr. Atkinson further stated it will be a 7-foot easement.

Dennis Tiff of Environmental Allies presented the Detention Basin report. He reported they will perform over-seeding this month.

Following further discussion, a motion was made by Director Mosley, seconded by Director Mattox, and unanimously carried that the engineer's report be approved.

16. PUBLIC COMMENTS. Greg Lentz addressed the Board concerning a possible advanced refunding bond issue for the Series 2010 and Series 2011 bonds. Mr. Lentz stated the amount of the refunding bond issue would be \$4,455,000. He also stated that it would be a parameter sale. Mr. Lentz presented a list of underwriters and requested the Board choose an underwriter. Mr. Lentz stated he will provide a Preliminary Official Statement at the next Board meeting.

Following further discussion, it was moved by Director Mosley and seconded by Director Mattox to authorize the financial advisor to move forward with an advanced refunding of Series

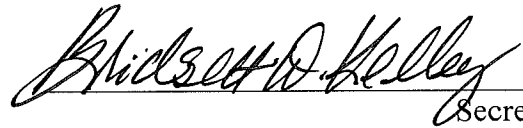
2010 and Series 2011 Bonds, and to approve SAMCO Capital Markets as the underwriter, which motion carried unanimously.

Shanna Lopez, of Waste Management, presented the monthly service report for the Board's review. She discussed Waste Management's role at the Customer Appreciation Barbeque. Ms. Lopez stated she will provide the operator the quarterly insert for the water bills.

17. PARKS PLAN. The Board tabled this item.

18. ADJOURNMENT. There being no further business to come before the Board, it was moved by Director Mattox, seconded by Director Kelley that the Board meeting be adjourned, which motion carried unanimously.

PASSED, ADOPTED and APPROVED this 26th day of April, 2016.


Secretary

