

**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 September 27, 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 except Director Goodie (participated via telephone).

Also present were Chris Richardson of Strawn & Richardson, P.C.; Yvonne Luevano of Wheeler & Associates, Inc.; Greg Dubiel of Municipal Operations & Consulting, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Robert Atkinson of Edminster Hinshaw Russ & Associates; Daniel Pereyra of Environmental Allies; Greg Lentz of First Southwest Company; Carolyn Winston and Denise Smith, District residents.; and Simon Van Dyk of Blue Umbrella

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

- 1. OPENING PRAYER.** Director Mattox led those assembled in prayer.

2. **MINUTES OF MEETING.** The Board next considered approving the minutes of the meeting of August 23, 2016. It was moved by Director Mosley and seconded by Director Givens that the minutes of the meeting of August 23, 2016 be approved, which motion carried with Director Mosley abstaining.

3. **PUBLIC COMMENTS.** Denise Smith, of 3251 Bolton Garden Drive, addressed the Board regarding her water bill. She stated her bill is now showing normal usage, but it was unusually high the previous month. Director Mattox stated the operator can check the usage history. Mr. Dubiel stated his office has spoken with the customer. Director Givens stated the operator will check the meter.

Carolyn Winston asked where her cut-off valve is located. Mr. Dubiel stated not all homes have a cut-off valve. He explained that people were tampering with the meters and as a result the cut-off valves were sealed. Director Givens informed Ms. Winston that she will have to locate her valve, which is often a plastic cover in the garage or on the outside of the house, but not at the meter. He added the operator will have to be contacted to use the outside valve. Director Givens further stated a plumber can install a private valve. Director Mattox stated the District meter is District property and tampering with the meter is illegal. Mr. Dubiel stated he can try to help Ms. Winston with her meter. He added eleven meters were tampered with in September.

4. **DIRECTOR'S REPORTS.** There were no director reports presented at this time.

5. **GENERAL MANAGER'S REPORT.** Director Givens reviewed the General Manager's Report. He presented a letter from Waste Management regarding the annual CPI adjustment, which will increase the garbage collection rate from \$13.58 to \$13.80. Director

Mattox stated in the past the District has passed on the increase to the customer, per the Rate Order.

Director Givens discussed the letter from Copper Creek CIA regarding rotten trim boards which need to be replaced at the District's meeting facility. He stated he was unable to locate the rotten trim boards and he has requested picture from the Copper Creek CIA.

Director Givens discussed holding a informational meeting on Saturday, October 8, 2016 at 9:00 a.m. to meet with Main Street America, the architect for the new District Meeting Facility, to review designs.

Director Givens reported the property at Antoine and West Greens Road needs to be maintained. He stated he will speak with Venture Landscape Systems concerning the property.

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

6. JOINT OPERATIONS REPORT. Director Givens reviewed the Joint Water Plant report. He asked the bookkeeper to follow up on the District's share of the money for water received by Harris County MUD No. 33 ("HC33"). Director Givens stated the money should be in the Joint Facility account and not in the HC14 account.

7. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luevano presented the tax report for August, a copy of which is attached as Exhibit "A". The report reflected the District has collected 97.22% of its 2015 taxes and 99.14% of its 2014 taxes as of August 31, 2016.

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

8. DELINQUENT TAX REPORT. Ms. Luevano presented the delinquent tax report, a copy of which is attached as Exhibit "B". She stated the delinquent tax attorney is requesting authorization to terminate service to the delinquent taxpayers that have not responded to the termination letters.

Ms. Luevano informed the Board that Tadano Development has indicated their 2015 taxes have been paid. She stated she will follow up on this item. Director Givens stated this is Tadano Development's issue and they should follow up with the tax office.

Following further discussion, it was moved by Director Kelley and seconded by Director Mosley that the delinquent tax report be approved, and to authorize the delinquent tax attorney to terminate service to the taxpayers who have not responded to termination letters, which motion carried unanimously.

9. 2016 TAX RATE. Greg Lentz presented a tax rate analysis, a copy of which is attached as Exhibit "C". Mr. Lentz reported the District's 2016 Certified Value is \$173,400,000. He stated the 2015 total tax rate was \$0.815, with a \$0.23 debt rate and a \$0.585 maintenance rate. Due to the recent refunding of bonds, Mr. Lentz recommends decreasing the debt service tax rate to \$0.175 and keeping the same maintenance tax rate of \$0.585 for a total tax rate of \$0.76. He stated this would be a \$53.00 decrease to the average homestead.

Following further discussion, it was moved by Director Givens and seconded by Director Kelley to authorize the tax assessor-collector to publish the tax rate, as required by law, with a debt rate of \$0.175 and a maintenance rate of \$0.585 for a total tax rate of \$0.76, and to set a public hearing date of October 25, 2016, 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 "D".

Following further discussion, a motion was made by Director Mosley and seconded by Director Kelley that the bookkeeper's report be approved, and that the checks listed therein be approved. Said motion carried unanimously.

11. REVIEW OF BOOKKEEPING AGREEMENT. The Board tabled this item.

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

Mr. Dubiel reviewed information from the new smart meter program.

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

Following further discussion, it was moved by Director Givens and seconded by Director Kelley that the operator's report be approved, and that the delinquent list and write-off list be approved, which motion carried unanimously.

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

14. DETENTION POND MAINTENANCE REPORT. Daniel Pereyra presented the Detention Pond Maintenance Report for the Board's review. Mr. Pereyra presented a proposal in the amount of \$2,500.00 to rehabilitate the slopes in the Copper Creek Detention Pond. The Board deferred discussion of the rehabilitation.

The Board discussed the Harris County Storm Water Department and the private detention pond off Veterans Memorial.

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

Mr. Atkinson reported upon receiving the survey of the Wetlands delineation on the 7.25 acre property for use as the District's meeting facility he will review and discuss it with the environmental engineer.

Mr. Atkinson informed the Board his office will coordinate the proposal and repairs of the erosion located at the southwest corner of the detention basin. He stated Environmental Allies will provide the repair service.

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

16. DIRECTORS ELECTION. Chris Richardson stated since no one other than the three incumbents turned in applications to be on the ballot or declared themselves to be write-in candidates, the Board may cancel the November 8, 2016 Directors Election. The Order Canceling Directors Election and Declaring Election of Unopposed Candidates and related Certification were presented for the Board's review and approval, copies of which are attached as Exhibits "G" and "H", respectively. Following further discussion, it was moved by Director Mosley and seconded by Director Kelley that the Order Canceling Directors Election and Declaring Election of Unopposed Candidates be approved, which motion carried unanimously.

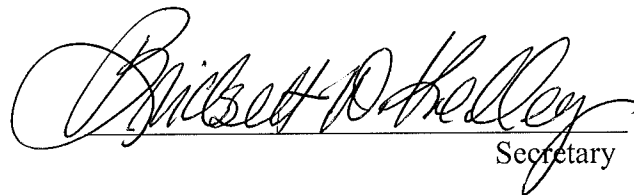
17. REVIEW OF LEGAL FEE AGREEMENT. Director Kelley discussed the review of Legal Fee Agreement. Director Kelley recommended that Strawn & Richardson, P.C. be retained as the District's attorney.

Following further discussion, it was moved by Director Kelley and seconded by Director Mosley to retain Strawn & Richardson, P.C., which motion carried unanimously.

18. OTHER ITEMS. Simon Van Dyk of Blue Umbrella discussed a website for the District. Director Mattox stated people are not reading print media and instead rely on digital media. Mr. Van Dyk stated the public now expects to get information through digital media. He added his company understands the municipal utility district business and compliance issues and can help with public relations on issues such as refunding bonds and saving money.

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

PASSED, ADOPTED and APPROVED this 25th day of October, 2016.


Secretary

