

**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 special session, open to the public, at its meeting place inside the boundaries of the District, at 4127 Breckenridge, Houston, Harris County, Texas on November 29, 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 Mattox.

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; Ryan Fortner of Sales Revenue Inc.; Shannon Waugh of Off Cinco; and a representative of Eagle Security and AV Innovations.

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. QUALIFYING DIRECTORS AND ELECTION OF OFFICERS.

Chris Richardson stated after each Directors election, the candidates receive a Certificate of

Election and execute their Statements of Elected Officer and the Oaths of Office, and consider the election of officers. Directors Kelley and Mosley executed the Statements of Elected Officer and Oaths of Office for the terms beginning November 8, 2016 and ending November 3, 2020. A motion was made by Director Kelley and seconded by Director Mosley that the Oaths of Office and Statements of Elected Officer be approved, and further that the current slate of officers be confirmed, which motion carried unanimously.

3. STRATEGIC PARTNERSHIP AGREEMENT AUDIT REPORT. Ryan Fortner presented the Strategic Partnership Agreement Audit Report for the Board's review. He reported there are eight new or changed permits. He also reported they have identified three non-compliant businesses. He stated he is anticipating receipt of an updated business list.

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

4. WEBSITE SERVICES PROPOSALS. Shannon Waugh, of Off Cinco, presented for the Board's review a proposal for website services.

Director Givens also presented for the Board's review a proposal from Apollo IT Consulting for website services.

5. MINUTES OF MEETING. The Board next considered approving the minutes of the meeting of October 25, 2016. It was moved by Director Kelley and seconded by Director Mosley that the minutes of the meeting of October 25, 2016 be approved, which motion carried unanimously.

6. PUBLIC COMMENTS. A representative with Eagle Security and AV Innovation discussed the availability of security cameras for the District facilities. Director

Goodie explained the Board is looking into security cameras for the new District meeting facility.

7. DIRECTOR'S REPORTS. Director Goodie discussed an email from the architect for the new District meeting facility. He would like to schedule a special meeting in December.

8. GENERAL MANAGER'S REPORT. Director Givens reviewed the General Manager's Report. He reported the Smart Meters have been installed to replace the commercial meter at Conley Elementary School.

Director Givens informed the Board the operator's office reported the issue with the scan line in the new water bill format has not yet been resolved. He stated the issue has been sent to AVR programming and he anticipates the issues will be resolved prior to the January 2017 billing cycle.

Director Givens reported Director Goodie worked with a contractor to have the meeting facility power washed.

Director Givens updated the Board on the Greens Bayou Federal Project. He reported the north section of the detention basin is nearing completion and the south section is scheduled to begin in early 2017. He stated Leon Construction was awarded the contract to construct the south basin. Director Goodie asked the operator to provide photos of the detention pond area under construction.

Director Givens reported the bill stuffer program continues with the promotion of the value of water as directed by the Board.

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

9. JOINT OPERATIONS REPORT. Director Givens reviewed the Joint Water Plant and Joint Wastewater Treatment Plant reports.

10. TAX ASSESSOR/COLLECTOR REPORT. Yvonne Luevano presented the tax report for October, a copy of which is attached as Exhibit "A". The report reflected the District has collected 98.64% of its 2015 taxes and 99.16% of its 2014 taxes as of October 31, 2016.

Director Givens noted the total tax rate has decreased \$0.23 since 2013.

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

11. REVIEW OF TAX ASSESSOR COLLECTOR AGREEMENT. Directors Goodie and Givens reported they met with Yvonne Luevano to review the Tax Assessor-Collector Agreement. They recommend retaining Wheeler & Associates, Inc. as the District's tax assessor-collector.

Following further discussion, it was moved by Director Givens and seconded by Director Kelley to retain Wheeler & Associates, Inc. as the District's tax assessor-collector, which motion carried unanimously.

12. DELINQUENT TAX REPORT. The delinquent tax report was not presented at this time.

13. BOOKKEEPER'S REPORT, INVESTMENT REPORT AND PAYMENT OF BILLS. Darrell Hawthorne presented the bookkeeper's report, a copy of which is attached as Exhibit "B".

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.

14. AMEND BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2017. Mr. Hawthorne presented the amended budget for fiscal year ending March 31, 2017. He stated the maintenance tax revenue line item has been updated. A copy of the amended budget is attached as Exhibit "C".

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

15. REVIEW OF BOOKKEEPING AGREEMENT. Director Mosley reported he met with Cory Burton and Darrell Hawthorne to review the Bookkeeping Agreement. He recommends retaining Municipal Accounts & Consulting, LP as the District's bookkeeper, which motion carried unanimously.

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

Mr. Dubiel discussed the information on the leak detection report as indicated by the smart meters.

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

Following further discussion, it was moved by Director Mosley, 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.

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

18. DETENTION POND MAINTENANCE REPORT. Daniel Pereyra presented the Detention Pond Maintenance Report for the Board's review.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley that the Detention Pond Maintenance Report be approved, which motion carried unanimously.

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

Mr. Atkinson reviewed the Wetlands delineation report on the 7.25 acre property for use as the District's meeting facility. Mr. Atkinson reported Bio-West, Inc. was notified their proposal was approved and that they should proceed with the draft for the Nationwide Permit. He also reported a portion of the property can be cleared in advance of the building construction.

Mr. Atkinson discussed the Greens Bayou Detention Basin. He informed the Board that the Harris County Flood Control District indicated the new detention basin will have a maintenance berm around at the top. He stated the detention basin will be inspected when the repairs are complete. Mr. Atkinson also stated his office will coordinate with the HCFCD for any information required to perform the relocation of utilities.

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.

20. FIRST AMENDMENT TO EMERGENCY WATER SUPPLY AGREEMENT. Chris Richardson presented for approval an amendment to the Emergency Interconnect Agreement with Harris County MUD No. 180. He explained the amendment updates the bookkeeper and operator information and it extends the term for another ten years.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley that the First Amendment to Emergency Water Supply Agreement with Harris County MUD No. 180 be approved, which motion carried unanimously. A copy of the Amendment is attached as Exhibit "F".

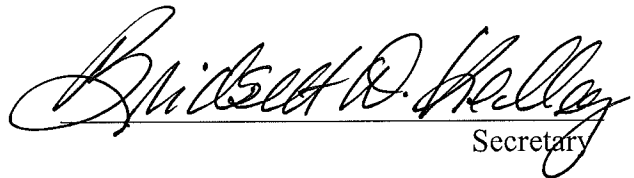
21. ANNUAL EMINENT DOMAIN FILING. The Board considered authorizing the annual eminent domain filing. Mr. Richardson explained the legislation requiring an annual filing regarding eminent domain.

Following further discussion, it was moved by Director Mosley and seconded by Director Kelley to authorize the District's annual eminent domain filing, which motion carried unanimously.

22. 2017 CALENDAR. The Board next considered approval of the 2017 Calendar. The Board deferred this item.

23. 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 20th day of December, 2016.


Secretary

