

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 261**

Minutes of Meeting of Board of Directors  
January 12, 2017

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 261 ("District") was held on January 12, 2017 at 2727 Allen Parkway, Suite 1100, Houston, Texas 77019, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

S. Brady Whitaker, President  
Jason VanLoo, Vice President  
John F. Oyen, Secretary  
Larry Goldberg, Assistant Secretary  
Emory Milton Dooley, Jr., Director

and the following absent:

None.

Also present were Mr. Nathan White, the District's operator; Mr. Troy Bordelon, engineer for the District; Ms. Michelle Lofton, the District's bookkeeper; Ms. Pat Hall, tax assessor-collector for the District; and Mr. W. James Murdaugh, Jr., attorney for the District.

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 8, 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, copy attached, which showed 99.7% collections for 2015 taxes and 34.5% collections for 2016 taxes. The Board reviewed the delinquent tax report with the attorney. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

3. It was reported to the meeting that under the provisions of Article VIII, Section 1-b of the Constitution of Texas, this District may exempt by its own action not less than

\$3,000 of the assessed value of residence homesteads of persons 65 years of age or older or disabled from all ad valorem taxes thereafter levied by the District. Those present discussed at length the various points for or against the adoption of the exemption by the District. After the discussion, it was duly moved, seconded and unanimously carried that there be passed and adopted the attached Order providing a \$20,000 homestead exemption for residents of the District 65 years of age or older or disabled.

4. Mr. White presented the operations report, copy attached, which showed 484 active connections with 95% water accountability. Three bacteriological tests had been taken during the previous month, all with good results. No excursions had occurred at the Rolling Fork sewage treatment plant, which had operated at 32% of capacity. Mr. White then reviewed semi-annual preventive maintenance and discussed outfall repair work at lake no. 1. No accounts were presented for termination of service due to delinquent payments.

5. Mr. Bordelon presented the engineer's report, a copy of which is attached. He confirmed that the elevated storage tank waiver for Windfern Forest Utility District had been submitted to the Texas Commission on Environmental Quality. He also noted that the amended Groundwater Reduction Plan had been approved and should no longer appear on the agenda. He and the Board then discussed the construction of the perimeter wall project, which appeared to be going well. The colors had been approved, and Mr. Bordelon stated that thus far the project looked very good. He expected to receive a payment request in the near future. He then discussed Stuckey's work on the outfall structure at lake no. 2, and stated that his office was working on priorities for the remaining outfall projects.

6. Ms. Lofton presented the bookkeeper's report, a copy of which is attached. The Board also reviewed and approved the quarterly investment report and the energy usage report. The Board authorized moving a certificate of deposit in the General Fund to TexPool upon maturity. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and payment of the checks listed thereon.

7. The attorney stated that his office was proceeding with filing claims against AT&T and Comcast for costs incurred by the District as a result of cables placed in unauthorized locations. The Board also requested the attorney to draft a letter to the

homeowners association requesting reimbursement for certain costs incurred by the District as a result of problems with the HOA's irrigation system. The attorney agreed to supply a draft for President Whitaker and Director VanLoo with the expectation of the final letter being approved at the February meeting.

8. The attorney then distributed a calendar of events for 2017.

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

  
Secretary