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## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 261

Minutes of Meeting of Board of Directors  
July 13, 2017

The Board of Directors ("Board") of Harris County Municipal Utility District No. 261 ("District") met on July 13, 2017 at 2727 Allen Parkway, Suite 1100, Houston, Harris County, Texas, 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  
Larry Goldberg, Assistant Secretary  
Emory Milton Dooley, Jr., Director

and the following absent:

John F. Oyen, Secretary

Also present were Mr. Troy Bordelon, the District's engineer; Mr. Nathan White, operator for the District; Ms. Michelle Lofton, the District's bookkeeper; Ms. Pat Hall, tax assessor-collector for the District; Ms. Mendi Strnadel, a member of the board of directors for the Woodwind Lakes homeowners' association and a resident of the District; and Mr. Richard Morrison, attorney for District.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. The Board reviewed the minutes of the meeting held on June 8, 2017. The Board President, Mr. Whitaker, discussed changes to the minutes, which included more specific language regarding paragraph 12. Mr. Whitaker wanted to add "landscaping" in front of "maintenance." Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as amended.

2. Ms. Pat Hall presented the tax assessor-collector's report, copy attached. She noted that taxes were 99.3% collected and that 5 accounts were not current; one was a deferral, 3 were current on their quarterly payments, and one had not paid at all. The non-paying

account had been sent to delinquent tax attorneys who were handling the matter. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report.

3. Mr. White presented the operations report, copy attached, which showed 484 active connections with 95% water accountability. No excursions had occurred at the Rolling Fork sewage treatment plant, which had operated at 25.1% of capacity. The Board also discussed various repair and maintenance matters which had been addressed, including the need to remove trees near 9015 Ensemble Ct. and replace fencing in disrepair. Upon motion duly made, seconded and unanimously carried, the Board authorized the District's operator to remove the trees if the cost is less than or equal to \$2,500. 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. After discussion, upon motion duly made, seconded and unanimously carried, the Board authorized the District's operator to proceed with termination of utility service to said accounts pursuant to the provisions of the District's Rate Order. The operator then discussed the "dead end flush valve survey" performed in June of 2017. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the District's operator recommendation subject to the input of the District's engineer for the installation of the dead end flush valves for the homes on Ensemble Ct.

4. The Board reviewed the proposed Interlocal Agreement with Harris-Galveston Subsidence District for Water Wise program. Upon motion duly made, seconded and unanimously carried, the Board approved the agreement.

5. Mr. Troy Bordelon, the District's engineer, presented his report. It was noted that the Richard Green request was turned over to Stuckey for their attention. The Board discussed the proposed survey and the cost. The Board concluded that the cost was too high and the survey was too expansive. Upon motion duly made, seconded and unanimously carried, the

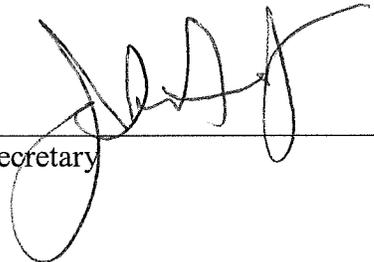
Board authorized the District's engineer to obtain a survey to locate the corners of the property at a cost no more than \$1,900.

6. Ms. Lofton presented the bookkeeper's report, copy attached. The Board noted the cost for document conversion and Ms. Lofton explain that the Board had budgeted for the item in its annual budget. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and payment of the checks listed thereon. Additionally the Board discussed a tracking system for the amount of water used and the cost on a monthly basis.

7. After reviewing the Resolution Adopting the Joint Budget with Rolling Fork PUD and upon motion duly made, seconded and unanimously carried, the Board adopted the Resolution.

8. The Board then considered pending business. There was nothing new to report on the claims against cable companies, nor the claims against the HOA for costs incurred as a result of the irrigation systems. After discussion of the shared maintenance agreement between the District and the HOA, and upon motion duly made, seconded and unanimously carried, the board approved a correction to the July 13, 2017 letter agreement.

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



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Secretary