

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 261

Minutes of Meeting of Board of Directors
July 19, 2018

The Board of Directors (“Board”) of Harris County Municipal Utility District No. 261 (“District”) met on July 19, 2018 at 5300 Memorial Dr., Suite 700, 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
John F. Oyen, Secretary
Larry Goldberg, Assistant Secretary Emory
Milton Dooley, Jr., Director

and the following absent:

None.

Also present were Mr. Jonathan Liu, engineer for the District; Ms. Pat Hall, tax assessor-collector for the District; Ms. Michelle Lofton, District bookkeeper; Ms. Shannon Waugh representing Off Cinco, District webmaster; Mr. Nathan White, operator for the District; and Mr. W. James Murdaugh, Jr., attorney for District.

President Whitaker 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 14, 2018. 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 99.5% collections for 2017 taxes with current certified taxable value in the District of \$138,199,262. Ms. Hall expected to have 2018 certified values for the Board’s consideration at the August meeting. Subject to that discussion, upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector’s report and payment of the checks listed thereon.

3. Ms. Lofton presented the bookkeeper’s report, copy also attached. The Board reviewed and approved the investment report and noted the energy usage report. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper’s report and payment of

the checks listed thereon. The Board discussed the required review of the District's investments in compliance with Senate Bill 253. The Board requested that the District's bookkeeper and investment officer review the list promulgated by the State Comptroller and monitor it periodically to prevent violations of Senate Bill 253.

4. Mr. White presented the operations report, copy attached, which showed 484 active connections with 99% water accountability. Three bacteriological tests had been performed, all with good results. Mr. White discussed various minor repairs and the cleanup of ten manholes. He also confirmed that lead and copper sampling was underway. The expected FEMA reimbursement was pending, and no accounts were presented for termination of service due to delinquent payment.

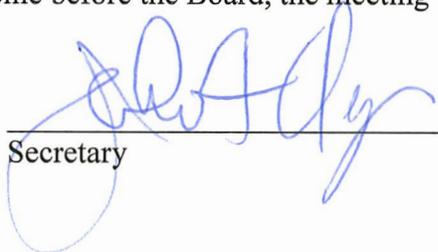
5. The Board considered an interlocal agreement with the Harris-Galveston Subsidence District for participation in the Water Wise program. After a discussion, the agreement was unanimously approved and its execution was authorized.

6. Mr. Liu presented the engineer's report, copy attached. Design was almost complete for the smoke testing project. The Board authorized the engineer to proceed with advertising when appropriate and looked forward to awarding the contract at the September meeting. There was no new information to present concerning the previous request by Mr. Koenig for an extension of utilities.

7. With respect to other matters the attorney stated that his office expected to have filed litigation for claims against AT&T and Comcast before the next meeting. Ms. Waugh then approached the Board to review a proposal for upgrading and redesigning the District's website. After a discussion the Board agreed to proceed with the fixed layout option at a price of \$1,400.00, and to maintain the current monthly arrangement for updates and monitoring. The Board also authorized Ms. Waugh to proceed with SSL certificate creation and implementation.

8. Finally, the Board noted the agenda item concerning billings from Windfern; the attorney was requested to remove the item from the agenda and possibly revisit the subject next year in April or May.

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


Secretary