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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 261

Minutes of Meeting of Board of Directors
May 9, 2019

The Board of Directors ("Board") of Harris County Municipal Utility District No. 261 ("District") met on May 9, 2019 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
John F. Oyen, Secretary

and the following absent:

Emory Milton Dooley, Jr., Director
Larry Goldberg, Assistant Secretary.

Also present were Ms. Pat Hall, tax assessor-collector for the District; Ms. Michelle Lofton, District bookkeeper; Mr. Troy Bordelon, engineer for the District; Mr. Nathan White and Mr. Dino Wright, operators for the District; and Mr. W. James Murdaugh, Jr. and Ms. Melissa P. Kilpatrick representing the attorneys 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 April 11, 2019. 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 99.2% collections for 2018 taxes and current certified taxable value in the District of \$138,867,383. She further stated that she hoped to obtain preliminary 2019 values within the next week. 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 attached. The Board noted the energy usage report and unanimously approved the investment report. The Board also noted with pleasure that the District had completed the fiscal year significantly ahead of budget. Subject to that discussion, 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 98% water accountability. Three bacteriological samples had been tested, all with good results. He reviewed fairly routine repairs and preventive maintenance, and advised that no excursions had occurred at the sewage treatment plant, which had operated at 34% of capacity. He discussed the results of the fire hydrant survey and stated that all required repairs would total less than \$10,000. Accordingly, the Board authorized the operator to proceed to make the fire hydrant repairs. Mr. White stated he would obtain additional information on a likely adjustment of Windfern Utility District water rates later in the month. The operator then submitted a list delinquent accounts to the Board for termination of utility service and stated that the accounts in question had 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 had 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.

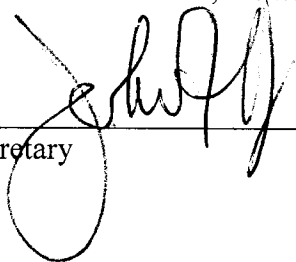
5. Mr. Bordelon presented the engineer's report, copy attached. His office continued to review tapes of recent sanitary sewer testing which he agreed to discuss further at the June meeting. Happily there appeared to be very few problems related to District residents' connections, and the Board authorized the operator to contact homeowners directly in that regard to discuss any appropriate remedial action. The engineers continued to work on the design for the major project at the Rolling Fork sewage treatment plant, and then after a brief discussion the Board unanimously approved the attached Resolution authorizing the District to file its bond application with the Texas Commission on Environmental Quality to provide funds for such sewage treatment plant project. Due to the nature of the project the Board requested the application be submitted for expedited review.

6. Mr. Bordelon addressed the District's claims against AT&T and Comcast. The engineers had determined that the excavation discussed at the April meeting was likely unnecessary inasmuch as most of the cables probably had no markings to indicate the company to which they

belonged. However, the engineers were in the process of attempting to obtain photographs, either in their records or additional information from the fence contractor, to provide proof that the cables in question were those installed by AT&T and Comcast.

7. President Whitaker confirmed that he had advised the homeowners association that the District did not desire to participate in the lake lighting project; he had addressed the District's claim against the HOA, but had not received an appropriate response at this time.

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


Secretary

Harris County MUD 261
Energy Usage Report
FYE 04/30/2019

Electricity - Hudson Energy

Check Date	Check #	Billing Period	Account #	Location	Usage (kWh)	Amount
				Total FYE 04/30/2014	8,945	\$1,497.42
				Total FYE 04/30/2015	10,841	\$1,661.71
				Total FYE 04/30/2016	10,982	\$1,777.60
				Total FYE 04/30/2017 (Partial)	851	\$143.11

Electricity - MP2 Energy

Check Date	Check #	Billing Period	Account #	Location	Usage (kWh)	Amount
				Total FYE 04/30/2017 (Partial)	9,776	\$1,437.61
				Total FYE 04/30/2018	11,267	\$1,657.77
6/14/2018	10939	05/02/18-06/01/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	10940	05/02/18-06/01/18	1604005737	8903 Woodwind Lakes Dr	765	\$128.06
7/19/2018	10954	06/01/18-07/02/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	10955	06/01/18-07/02/18	1604005737	8903 Woodwind Lakes Dr	801	\$206.29
8/7/2018	10985	07/02/18-08/01/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	10986	07/02/18-08/01/18	1604005737	8903 Woodwind Lakes Dr	720	\$153.49
9/6/2018	11006	08/01/18-08/30/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	11007	08/01/18-08/30/18	1604005737	8903 Woodwind Lakes Dr	672	\$134.44
10/11/2018	11032	08/30/18-10/01/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	11033	08/30/18-10/01/18	1604005737	8903 Woodwind Lakes Dr	831	\$149.29
11/8/2018	11055	10/01/18-10/30/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	11056	10/01/18-10/30/18	1604005737	8903 Woodwind Lakes Dr	803	\$145.94
12/13/2018	12007	10/30/18-11/30/18	1604005738	8626 1/2 Congo Lane	0	\$6.03
	12008	10/30/18-11/30/18	1604005737	8903 Woodwind Lakes Dr	1,047	\$176.75
1/10/2019	12043	11/30/18-01/03/19	1604005738	8626 1/2 Congo Lane	0	\$6.03
	12044	11/30/18-01/03/19	1604005737	8903 Woodwind Lakes Dr	1,225	\$183.65
2/14/2019	12057	01/03/19-02/01/19	1604005738	8626 1/2 Congo Lane	0	\$6.03
	12058	01/03/19-02/01/19	1604005737	8903 Woodwind Lakes Dr	1,005	\$149.62
3/14/2019	12078	02/01/19-03/04/19	1604005738	8626 1/2 Congo Lane	0	\$6.03
	12079	02/01/19-03/04/19	1604005737	8903 Woodwind Lakes Dr	1,007	\$148.45
4/11/2019	12109	03/04/19-04/02/19	1604005738	8626 1/2 Congo Lane	0	\$6.03
	12110	03/04/19-04/02/19	1604005737	8903 Woodwind Lakes Dr	894	\$139.79
				Total FYE 04/30/2019	9,770	\$1,782.10

Harris County MUD 261

Energy Usage Report

FYE 04/30/2019

Water - Windfern Forest

Check Date	Check #	Billing Period	Invoice #	Location	Usage (KGAL)	Amount
				Total FYE 04/30/2012	54,568	\$43,997.60
				Total FYE 04/30/2013	33,920	\$27,136.00
				Total FYE 04/30/2014	39,367	\$52,120.97
				Total FYE 04/30/2015	67,863	\$110,385.17
				Total FYE 04/30/2016	68,075	\$110,602.30
				Total FYE 04/30/2017	66,582	\$108,898.07
				Total FYE 04/30/2018	70,523	\$115,383.46
6/14/2018	10938	03/18/18-04/17/18	3/18/18-4/17/18	N/W C/O Windfern @ Woodwind Lakes	5,612	\$10,956.32
7/19/2018	10964	04/17/18-05/21/18	4/17/18-5/21/18	N/W C/O Windfern @ Woodwind Lakes	6,954	\$11,567.67
8/7/2018	10981	05/21/18-06/17/18	5/21/18-6/17/18	N/W C/O Windfern @ Woodwind Lakes	7,085	\$12,628.69
10/11/2018	11031	06/17/18-07/16/18	6/17/18-7/16/18	N/W C/O Windfern @ Woodwind Lakes	6,810	\$11,717.88
10/11/2018	11031	07/16/18-08/19/18	7/16/18-8/19/18	N/W C/O Windfern @ Woodwind Lakes	9,244	\$15,019.08
11/8/2018	11054	08/19/18-09/17/18	8/19/18-9/17/18	N/W C/O Windfern @ Woodwind Lakes	5,832	\$9,607.10
12/13/2018	12021	09/17/18-10/18/18	9/17-10/18/18	N/W C/O Windfern @ Woodwind Lakes	4,628	\$8,651.17
1/10/2019	12042	10/18/18-11/16/18	10/18-11/16/18	N/W C/O Windfern @ Woodwind Lakes	2,457	\$4,433.28
2/14/2019	12067	11/16/18-12/17/18	11/16-12/17/18	N/W C/O Windfern @ Woodwind Lakes	3,459	\$6,906.59
3/14/2019	12089	12/17/18-01/18/19	12/17-1/18/19	N/W C/O Windfern @ Woodwind Lakes	2,991	\$5,550.54
4/12/2019	12107	01/18/19-02/19/19	1/18-2/19/19	N/W C/O Windfern @ Woodwind Lakes	2,650	\$5,144.10
5/9/2019	12130	02/19/19-03/19/19	02/19-03/19/19	N/W C/O Windfern @ Woodwind Lakes	2,447	\$4,719.12
				Total FYE 04/30/2019	60,169	\$106,901.54