

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 264

June 20, 2018

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 264 (the "District") met in regular session, open to the public, on the 20th day of June, 2018, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Russell Appelget	President
Jose Nava	Vice President
Donnice Hoffman	Secretary
Charles E. Brandman	Assistant Vice President
Patty Rodriguez	Assistant Secretary

and all of the above were present except Director Appelget, thus constituting a quorum.

Also present at the meeting were: Julia McCain of McCall Gibson Swedlund Barfoot PLLC ("MGSB"); Stephen Swindell and Victor Saenz of Jones & Carter, Inc. ("J&C"); Wendy Austin of District Data Services Inc.; Ryan Fortner of Wheeler & Associates, Inc.; Don Self of Inframark Water & Infrastructure Operations ("Inframark"); and Robert A. Seale, Sandra Staine, and Hope Jeffers of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the May 16, 2018, meeting. After review and discussion, Director Brandman moved to approve the minutes, as presented. Director Rodriguez seconded the motion, which passed by unanimous vote.

PUBLIC COMMENTS

Director Brandman stated he attended the Harris County Flood Control District meeting regarding an upcoming \$2.5 billion bond election and updated the Board regarding same.

APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2018

Ms. McCain presented and reviewed the District's audit for the fiscal year ended March 31, 2018. After review and discussion, Director Brandman moved to approve the audit, subject to incorporation of final comments, authorize filing of the audit with the TCEQ, and direct that the audit be filed appropriately and retained in the District's official records. Director Hoffman seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Saenz presented and recommended approval of Pay Estimate No. 4 in the amount of \$272,697.29 to MMG Contractors LLC ("MMG") for the sanitary sewer force main project.

Ms. Austin presented and reviewed the bookkeeper's report, a copy of which is attached. After review and discussion, Director Hoffman moved to (1) approve Pay Estimate No. 4 in the amount of \$272,697.29 to MMG, per the engineer's recommendation, and (2) approve the bookkeeper's report and payment of the bills. Director Brandman seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Fortner reviewed the tax assessor/collector's report, a copy of which is attached, which reflects that 99.04% of the District's 2017 taxes have been collected as of May 31, 2018. Following review and discussion, Director Rodriguez moved to approve the tax assessor/collector's report, including payment of the tax bills. Director Hoffman seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT

Mr. Self presented and reviewed the operations and maintenance report, a copy of which is attached. He reported that the water accountability for the past month was 93.15% and updated the Board on maintenance and repairs conducted during the previous month. Mr. Self stated there are four accounts totaling \$344.16 to send to Collections Unlimited.

Mr. Self then reviewed the preventative maintenance schedule for the District's facilities, a copy of which is included in the operator's report. In response to a request by Director Nava, Mr. Self stated he will check on the status of the water plant repairs discussed at the last meeting and will send an update to the Board. Mr. Self discussed the timeline for repainting the District's fire hydrants. The Board concurred to inspect the hydrants and discuss again next month.

Following review and discussion, Director Nava moved to (1) approve the operator's report; and (2) authorize Inframark to submit the recommended accounts to Collections Unlimited. Director Hoffman seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Self presented a list of delinquent customers and reported the customers on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the

meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Nava moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Hoffman and passed by unanimous vote.

ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

The Board concurred to table this agenda item until the July meeting.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

Director Nava reviewed an update regarding WHCRWA matters.

JOINT WASTEWATER TREATMENT PLANT MATTERS

Mr. Swindell and Director Brandman reported on joint wastewater treatment plant matters.

ENGINEERING MATTERS

Mr. Saenz reviewed the engineer's report, a copy of which is attached.

Mr. Saenz updated the Board on the status of the sanitary sewer force main project.

Mr. Saenz updated the Board on the inspection of the interior of Ground Storage Tank No. 2, noting there are no major issues. He then requested the Board's approval to design certain water plant improvements. After discussion, the Board concurred to defer authorizing design of the improvements.

Mr. Saenz stated J&C received proposals for the lift station piping rehabilitation projects. He stated RAC submitted proposals that are significantly lower than the others and he intends to meet with RAC to ensure the proposals are correct, before proceeding. The Board concurred to table the matter.

After review and discussion, Director Hoffman moved to approve the engineer's report. Director Rodriguez seconded the motion, which passed by unanimous vote.

ATTORNEY'S REPORT

Mr. Seale reported on his discussion with a landscape architect regarding costs and options for lighting along the greenbelt, per the Board's request. No action was taken.

WATER CONSERVATION MATTERS

There was no discussion on this agenda item.

DISTRICT WEBSITE MATTERS

Mr. Seale asked Mr. Self to forward the District's consumer confidence report to him for posting to the website.

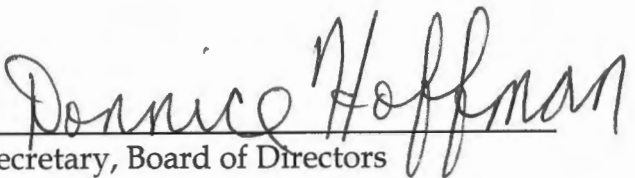
DISCUSSION OF DISTRICT OUTREACH AND COMMUNITY RELATIONS

There was no discussion on this agenda item.

DISTRICT MEETING SCHEDULE

The Board concurred to hold its next regular meeting on July 18, 2018, at 5:30 p.m. at ABHR.

There being no further business to come before the Board, the meeting was adjourned on the motion of Director Brandman, which was seconded by Director Rodriguez and passed by unanimous vote.


Secretary, Board of Directors

(SEAL)



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