

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 14, 2017

The Board of Directors (“Board”) of Spring Creek Forest Public Utility District (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Texas, on February 14, 2017, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

R. W. (Rick) Kehlenbach, President
Derek D. Drawhorn, Vice President/Treasurer
Janet E. Frakes, Secretary
Wayne Cherry, Director
Tom Buffington, Director

and the following directors absent:

None.

Also present were Ms. Pat Hall, representing the District's tax assessor/collector; Mr. Mark Ivy, representing the District's operator; Ms. Amber Hurd, representing the District's engineer; Ms. Claudia Redden, representing the District's bookkeeper; and Ms. Lori G. Aylett, attorney for the District.

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

1. Minutes of the meeting held January 10, 2017 were presented for the Board's review and approval. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Pat Hall presented the tax assessor/collector's report, a copy of which is attached. The report reflects that 2016 taxes are 75.8% collected. All prior years are over 99.6% collected. One check was presented for the Board's review and approval. Upon unanimous vote, the Board approved the tax assessor/collector's report as presented.

3. There was presented the attached Resolution Authorizing Challenge to the Appraisal Roll. The attorney noted that the preliminary tax roll comes out in May, and the tax assessor has a limited amount of time to review the roll and challenge any errors or omissions that are found. The tax assessor should be authorized to make such challenges on the District's behalf. Upon unanimous vote, the Board approved the resolution as presented.

4. Mr. Mark Ivy presented an operations report, a copy of which is attached. The District accounted for 97.84% of the water produced during the month of December. The District billed \$70,760.38 and collected \$86,779.48. The District has 809 connections. 5.586 million gallons of water came from the North Harris County Regional Water Authority, and the District pumped 0.718 million gallons of water from its wells. The operator reported on a storm

sewer line at 6519 Oak Masters that needs to be repaired. The operator proposed installing an eight-inch pipe inside the 18-inch storm sewer pipe and sealing the 18-inch pipe at the ends at a cost of \$9,300. The operator also needs to remove and replace 50-feet of fence which has settled and become damaged due to sinkholes at a cost of \$1,700. The operator reported that the sanitary sewer line provides drainage to multiple properties. After discussion, upon unanimous vote, the Board authorized the operator to proceed with the repairs. Upon unanimous vote, the Board approved the operations report as presented.

5. The attorney noted that the District was required to review the FTC identity theft red flag program on an annual basis. The attorney recommended that no changes be made to the program. Accordingly, upon motion duly made, seconded and unanimously carried, the Board voted unanimously to adopt the attached Resolution Affirming Identity Theft Prevention Program.

6. The Board tabled consideration of a Resolution for Adoption of Rate Order until a future meeting.

7. Ms. Amber Hurd presented an engineer's report. The engineer reported that the force main replacement plans are 50% complete. Plans will be submitted to the City of Houston and Harris County next week. G-M Services inspected the well pumps at both wells, and all were satisfactory. Upon unanimous vote, the Board approved the engineer's report as presented.

8. Ms. Claudia Redden presented the bookkeeper's report, a copy of which is attached. After discussion, upon unanimous vote, the Board approved the bookkeeper's report and payment of the bills listed thereon.

9. Under pending business, Ms. Aylett advised of a complaint about the back door garbage collection received from the President of the Property Owners Association on behalf of a resident. The attorney provided Waste Management's contract information at the request of the Property Owners Association President. She further advised that the resident should direct a written complaint to the Board. The Board requested that a representative of Waste Management attend the District's next Board meeting.

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

Secretary