

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

July 11, 2017

The Board of Directors (“Board”) of Spring Creek Forest Public Utility District (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Texas, on July 11, 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
Wayne Cherry, Director
Tom Buffington, Director

and the following directors absent:

Janet E. Frakes, Secretary.

Also present were Ms. Claudia Redden, representing the District’s bookkeeper; Ms. Cindi Oliver, representing the District’s tax assessor/collector; Mr. Mark Ivy, representing the District’s operator; Mr. Jason Eldridge, representing the District’s engineer; 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. In the absence of the Secretary, Director Cherry was appointed Secretary Pro Tempore.

1. Minutes of the meeting held June 13, 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. Cindi Oliver presented the tax assessor/collector’s report, a copy of which is attached. The report reflects that 2016 taxes are 98.9% collected. All prior years are over 99% collected or better. Four checks were presented for the Board’s review and approval. Upon unanimous vote, the Board approved the tax assessor/collector’s report as presented.

3. Mr. Mark Ivy presented an operations report, a copy of which is attached. The District accounted for 96.4% of the water produced during the month of May. The District billed \$107,084.16 and collected \$87,962.48. The District has 809 connections. 10.504 million gallons of water came from the North Harris County Regional Water Authority, and the District pumped 2.717 million gallons of water from its wells.

The operator reported that he placed the order for the cedar fence, and delivery is scheduled for the first week in August.

Upon unanimous vote, the Board approved the operations report as presented.

4. Mr. Jason Eldridge presented an engineer's report. The engineer reported that temporary construction easement acquisition is underway. The Bammel wastewater treatment plant is expected to advertise in August. The anticipated award date is September 11, 2017, at which point the District's share will be due to Bammel. Upon unanimous vote, the Board approved the engineer's report as presented.

5. The Board reviewed a Quit Claim Conveyance of Facilities and Partial Assignment of Easement of Force Main Piling to Harris County Municipal Utility District No. 316. After review, upon unanimous vote, the Board approved the Quit Claim Conveyance of Facilities and Partial Assignment of Easement of Force Main Piling to Harris County Municipal Utility District No. 316 as presented.

6. The Board considered the annual maintenance report of Municipal Risk Management Group, LLC for an arbitrage rebate and/or yield restriction analysis. The Board reviewed the report and determined that the District is in compliance with IRS regulations and no further action is required at this time.

7. The Board reviewed the Municipal Solid Waste Collection and Transportation Agreement with Waste Management. The attorney advised the Board that the District's contract term with Waste Management will expire on September 30, 2017. If the District wished to avoid automatic renewal of the contract and seek competitive proposals, the District must give 60 days notice to do so. The Board noted that it was satisfied with the agreement with Waste Management, and the POA has also indicated that they are pleased with the services provided. Accordingly the Board will allow the contract to renew for another year.

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.

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

Secretary Pro Tempore