

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

September 11, 2018

The Board of Directors (“Board”) of Spring Creek Forest Public Utility District (“District”) met at 2727 Allen Parkway, Suite 1100, Houston, Texas, on September 11, 2018, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Wayne Cherry, Vice President

Janet E. Frakes, Secretary

Tom Buffington, Director

and the following was absent:

R. W. (Rick) Kehlenbach, President

Kennon Evett, Jr., Director.

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; Ms. Amber Hurd, representing the District’s engineer; Ms. Anthea Moran, the District’s financial advisor; Ms. Tiana Smith, representing Waste Management; Ms. Christie Leighton, representing Best Trash; James Ballowe and Dave Jaeger, representing Texas Pride; and Calvin Brown, Russell Wolff and Jerrell Wolff, representing Residential Refuse & Recycling of Texas; Ms. Amy Mahanay; and Ms. Lori G. Aylett, attorney for the District.

In the absence of the President, the Vice 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 August 14, 2018 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 2017 taxes are 99.4% collected. Five 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 96.58% of the water produced during the month of July. The District billed \$110,909.88 and collected \$106,428.06. The District has 809 connections. 9.029 million gallons of water came from the North Harris County Regional Water Authority, and the District pumped 3.398 million gallons of water from its wells. Upon unanimous vote, the Board approved the operations report as presented.

4. Ms. Amber Hurd presented an engineer’s report, a copy of which is attached. The engineer reported the construction staking for the force main reconstruction

project is complete, and 1200 linear feet of force main has been installed. The line is under Cypress Creek. Ms. Hurd also presented a utility commitment for 17003 Seven Pines Drive; the request is for a 6,500 square foot retail space and will use 1.5 ESFC. Upon unanimous vote, the Board approved the engineer's report as presented and approved the utility commitment as presented.

5. 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.

6. Claudia Redden presented a 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.

7. The Board then heard detailed presentations from Best Trash, Texas Pride and Residential Refuse & Recycling. The Board thanked the contractors for their presentations. Tiana Smith addressed the Board and stated that effective October 1, 2018 Waste Management would no longer be able to provide backdoor service. She thanked the Board for their years of business.

8. The Board then recognized Ms. Anthea Moran who reviewed with the Board the 2018 certified tax value provided by the Harris County Appraisal District and presented schedules supporting the financial advisor's recommendation with respect to the District's 2018 debt service and maintenance taxes. After careful consideration, upon unanimous vote, the Board authorized publication of notice of a public hearing to consider a proposed debt service tax of \$0.27 and a proposed maintenance tax of \$0.20 for a total combined proposed tax levy of \$0.47 per \$100 assessed valuation, with a public hearing to be held at the Board meeting on October 9, 2018.

9. The Board resumed discussion of consideration of a garbage contractor. The Board discussed the pros and cons of each contractor. After lengthy discussion, upon motion duly made, seconded and unanimously carried, the Board voted to engage Residential, Refuse & Recycling of Texas, pending the attorney's successful negotiation of certain outstanding issues.

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

Secretary