

MINUTES OF MEETING OF BOARD OF DIRECTORS  
August 22, 2018

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 322

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The board of directors (the "Board") of Harris County Municipal Utility District No. 322 (the "District") met in regular session, open to the public, at 1301 McKinney Street, Houston, Texas, on August 22, 2018, at 12:00 p.m.; whereupon the roll was called of the directors, to-wit:

Marc Newman, President  
David Howell, Vice President  
Johnny South, Secretary  
Alison "Frizz" McGahan, Treasurer  
Todd Griffin, Assistant Secretary

All members of the Board were present except Director Griffin. Also attending all or portions of the meeting were Ms. Kim Shelnett of Myrtle Cruz, Inc., bookkeeper for the District; Ms. Janet Dolan of Inframark Water Infrastructure Operations ("Inframak"), operators for the District; Ms. Robin Goin of Bob Leared Interests, tax assessors and collectors for the District; and Mr. Dimitri Millas and Ms. Amanda Dykmann of Norton Rose Fulbright US LLP ("NRF"), attorneys for the District.

The President called the meeting to order and, in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as Exhibit "A," the following business was transacted:

1. **Review and approve minutes of meeting of August 1, 2018.** Proposed minutes of the meeting of August 1, 2018, previously distributed to the Board, were presented for review and approval. Upon motion by Director McGahan, seconded by Director South, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the minutes of August 1, 2018, as revised per Ms. Goin.

2. **Public Comments.** There were no public comments.

3. **Discuss website.** There were no updates.

4. **Tax Assessor-Collector's Report, payment of certain bills, and any necessary action regarding delinquent accounts including termination of service.** The President recognized Ms. Goin, who presented to and reviewed with the Board the Tax Assessor-Collector's report for the month of April, a copy of which is attached hereto as Exhibit "B." Ms. Goin stated that 99.1% of the District's 2017 taxes had been collected as of July 31, 2018. She presented five checks for the Board's approval.

Upon motion by Director South, seconded by Director McGahan, after full discussion and having had the question put to the Board, the Board voted unanimously to accept the Tax Assessor-Collector's Report, authorize payment of the expenditures listed therein.

**5. Delinquent Tax report and Take Any Necessary Action Regarding Delinquent Accounts including Termination of Services.** Ms. Goin presented to and reviewed with the Board the Delinquent Tax Report, a copy of which is attached hereto as Exhibit "C."

Ms. Goin presented a letter from a resident who is requesting a payment plan, a copy of which is attached hereto as Exhibit "D." She stated the resident has previously defaulted on payments. Discussion ensued.

Upon motion by Director South, seconded by Director McGahan, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the delinquent tax attorney to send termination letters to the property owners who have not responded; and approve a payment plan from the requested resident at 20802 Magnolia Brook Ln., contingent upon resident making a \$800.00 down payment, following a one year payment plan, and resident paying 2018 taxes on time.

**6. Order Designating Officer to Publish Tax Rates and Taking Other Actions in Connection with the Levy of a Tax for 2018.** This item was deferred to next month.

**7. Bookkeeper's report, payment of bills, including review of budget, investment report and policy, and any necessary changes.** The President recognized Ms. Shelnutt, who presented to and reviewed with the Board the Bookkeeper's Report and monthly investment report, a copy of which is attached hereto as Exhibit "E."

Ms. Shelnutt presented 14 checks and 4 deposit refunds for the Board's approval.

Ms. Shelnutt stated a Certificate of Deposit ("CD") at Green Bank was maturing September 1, 2018. Discussion ensued regarding investments.

Upon motion by Director McGahan, seconded by Director Howell, after full discussion and having had the question put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to authorize the expenditures listed therein, and authorize renewing the CD at Green Bank for a 6-month term, and to transfer funds from Compass Bank into TexPool.

**8. Report by District Operator, authorization of any necessary maintenance and termination of delinquent accounts.** The President recognized Ms. Dolan, who presented to and reviewed with the Board the Operator's Report, a copy of which is attached hereto as Exhibit "F."

Ms. Dolan stated that the District's accountability for the month of July was 97.15%.

Ms. Dolan stated that there are 32 accounts on the delinquent list. Ms. Dolan stated that the accounts were tagged August 22, 2018 and turn offs will be August 28, 2018.

Ms. Dolan reviewed the call log with the Board. She stated there were two water quality reports and Inframark responded.

Ms. Dolan stated Inframark received a call from a resident who is asking for a break on his bill. She stated that the resident may have a leak. Discussion ensued. It was the consensus of the Board to monitor the residents usage for the next couple of months and discuss at a later time.

Upon motion by Director South, seconded by Director McGahan, after full discussion and having had the question put to the Board, the Board voted unanimously to approve the Operator's Report and to terminate the delinquent accounts in accordance with the rate order.

9. **Report on Joint Operations Council ("JOC").** The President stated he will attend the meeting next week.

10. **Engineer's Report, Capacity Commitment Letters, and other engineering activities.** There was no report.

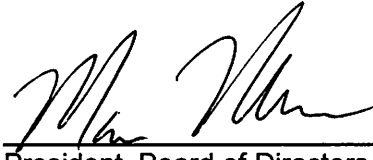
11. **Other Consultant Reports.** There were no reports.

12. **Next meeting date (September 26, 2018).** The Board set a tentative meeting date of September 26, 2018, at 12:00 p.m.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD,  
the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on September 26, 2018.



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President, Board of Directors

ATTEST:



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Secretary, Board of Directors

(DISTRICT SEAL)

