

**MINUTES OF MEETING OF BOARD OF DIRECTORS
MARCH 10, 2009**

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 151 §

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 151 (the “District”) met in regular session, open to the public, at Fulbright & Jaworski L.L.P., 1301 McKinney, 51st Floor, Houston, Texas, 77010, at 11:30 a.m on March 10, 2009, whereupon the roll was called of the members of the Board, to-wit:

Kent F. Spitzmiller, President
Bill Walker, Vice President
William “Lisle” Wade, Secretary
Herman Jordan, Treasurer
Kim O’Hara, Assistant Secretary

Persons Attending. All members of the Board were present. Also attending all or parts of the meeting were Mr. Leroy Mensik of Severn Trent Services, Inc. (“ST”), operator for the District; Ms. Rebecca Martinez of Wheeler & Associates, tax assessor and collector for the District; Ms. Shirley McLennan of McLennan and Associates, bookkeeper for the District; and Ms. Jana Cogburn and Ms. Carla Christensen of Fulbright & Jaworski L.L.P. (“F&J”), attorneys for the District. There were no members of the public in attendance at the meeting.

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

1. **Minutes.** Proposed minutes of the meeting of the Board held February 10, 2009, previously distributed to the Board, were presented for review and approval. Upon motion by Director Walker, seconded by Director O’Hara, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of February 10, 2009, as presented.

2. **Presentation of payment options for District customers (ST) and take necessary action in connection with same.** Mr. Mensik reported that ST is coordinating with Compass Bank to obtain an updated agreement between Compass Bank and the District for a “lock box” payment system, which would allow District customers a variety of options for bill payment. Mr. Mensik stated that any costs associated with the type of payment will be assessed to the customer and will cost \$1.00 to \$5.00 per payment, depending on the form of payment. Discussion ensued. Mr. Mensik stated that he will provide the agreement to the District’s attorney for review.

3. **Tax Collector’s Report.** Ms. Martinez presented to and reviewed with the Board the Tax Collector’s Report for February, 2009 and the delinquent list, copies of which are attached hereto as Exhibit “B.” Ms. Martinez noted that the District had collected 91.73% of its 2008 taxes as of February 28, 2009. Upon motion by Director Jordan, seconded by Director Wade, after full discussion and the question being put to the Board, the Board voted

unanimously to accept the Tax Collector's Report and to authorize payment of check numbers 2471 through 2486 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Engagement of delinquent tax attorney to enforce the collection of delinquent taxes.** It was noted that the District has an ongoing contract with Perdue, Brandon, Fielder, Collins & Mott, L.L.P. for the collection of delinquent taxes. Upon motion by Director Walker, seconded by Director Jordan, after full discussion and the question being put to the Board, the Board voted unanimously to engage the District's delinquent tax attorney to collect delinquent taxes.

5. **Bookkeeper's Report.** Ms. McLennan presented to and reviewed with the Board the Bookkeeper's Report for the period ending March 10, 2009, certain statements for payment and the monthly Investment Report for activity through February 28, 2009, copies of which are attached hereto as Exhibit "C." Upon motion by Director Jordan, seconded by Director Wade, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 6369 through 6416 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

Ms. McLennan reported that she has prepared a bill for Harris County MUD No. 132 ("No. 132") for shared lift station no. three expenses from October 1, 1999 through February 2009. Ms. McLennan stated that the bill to No. 132 is in the amount of \$174,982.02. Ms. McLennan reported that No. 132 has submitted payment in the amount of \$93,171.05 in connection with the shared lift station no. four expenses.

6. **Review Operations Report and authorize repairs.** Mr. Mensik presented to and reviewed with the Board the monthly Operations Report for February, 2009, a copy of which is attached hereto as Exhibit "D."

Mr. Mensik stated that ST would like to test a new degreasing agent made by Micro Blaze. Mr. Mensik noted that such chemical is approximately \$500 cheaper per month than the current chemical being used in the District. Mr. Mensik stated that the Micro Blaze chemical, if utilized by all participants in the joint wastewater treatment plant, should reduce the amount of sludge at the wastewater treatment plant. The Board indicated they had no objection to testing the new degreasing agent.

Upon motion by Director Wade, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report and to authorize termination of service to the delinquent accounts.

7. **Review and approve Amendment to Contract with ST Services for rate increase, turn-ons and turn-offs, and pulled meters.** Mr. Mensik reviewed with the Board the amendment to the Operations Agreement with ST Services for the rate increases in equipment, turn-ons and turn-offs and pulled meters, a copy of which is attached hereto as Exhibit "E." Ms. Cogburn noted that the Rate Order was amended at the previous meeting. Upon motion by Director O'Hara, seconded by Director Jordan, after full discussion and the question being put to

the Board, the Board voted unanimously to approve and authorize execution of the amendment to the Operations Agreement with ST Services.

8. **Discuss and take action in connection with preparation of identity theft prevention program.** Ms. Cogburn reported that there is a new federal requirement for utility districts to implement identity theft programs by May 1, 2009. She stated that F&J is working with the operator to prepare an identity theft, a draft copy of the proposed Order Adopting an Identity Theft Prevention Program is attached hereto as Exhibit "F." In response to a question, Mr. Mensik reported that a person only needs to present proof of residency to open an account, not identification or a social security number.

9. **Approve Water Conservation Plan.** Ms. Cogburn stated that the TCEQ requires that municipalities adopt a water conservation plan by May 1, 2009 if such municipality serves more than 3,300 connections. No action was taken.

10. **Review Engineer's Report.** There was no Engineer's Report at this time.

Director Spitzmiller reported that the developer for the Partner's Land Development, Mr. Matt Seiffert, has changed the name of the project from Atascocita Oaks Estates to The Bailey Project and has submitted a re-plat to the City of Houston changing the number of lots from 20 to 16 and the number of reserves from three to two.

11. **Status report on District website.** Director Spitzmiller reviewed with the Board a summary of information relating to the usage of the website for the last month, a copy of which is attached hereto as Exhibit "G."

12. **Public Comments.** There were no members of the public in attendance.

13. **Executive Session pursuant to Section 551.071, Texas Government Code, as amended, to discuss litigation.** The Board did not convene in executive session.

14. **Other matters.** Director Spitzmiller stated that area Community Improvement Associations ("CIA") are interested in requesting area municipal utility districts take over the law enforcement contracts with the Precinct Four Constable. Discussion ensued.

Director Spitzmiller reported that the Atascocita Volunteer Fire Department ("AVFD") is requesting that the area municipal utility districts support the AVFD's referendum for a tax increase. Discussion ensued.

There were no other matters to come before the Board at this time.

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 April 14, 2009.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)