

**MINUTES OF MEETING OF BOARD OF DIRECTORS
SEPTEMBER 8, 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 September 8, 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. Shirley McLennan of McLennan and Associates, bookkeeper for the District; Ms. Rebecca Martinez of Wheeler and Associates, tax assessor and collector for the District; Mr. Cliff Kavanaugh of First Southwest Company, financial advisor 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 August 18, 2009, previously distributed to the Board, were presented for review and approval. 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 minutes of the meeting of August 18, 2009, as presented.

2. **Engage auditor for fiscal year ending September 30, 2009.** It was noted that the Board engaged McCall Gibson Swedlund Barfoot PLLC at the previous Board meeting.

3. **Tax Collector’s Report.** Ms. Martinez presented to and reviewed with the Board the Tax Collector’s Report for August, 2009, a copy of which is attached hereto as Exhibit “B.” Ms. Martinez reported that the District had collected 99.66% of its 2008 taxes as of August 31, 2009. Upon motion by Director Wade, seconded by Director Jordan, 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 2529 through 2537 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

In response to a question from Director Spitzmiller regarding the deposit refund for a resident, Ms. Martinez stated that she will confirm that the resident at 19903 Sundance does not owe any taxes.

4. **Adopt Order Designating Officer to Calculate and Publish Tax Rate for 2009.** The President recognized Mr. Kavanuagh, who presented to and reviewed with the Board a cash flow analysis, a copy of which is attached hereto as Exhibit "C."

5. **Bookkeeper's Report.** Ms. McLennan presented to and reviewed with the Board the Bookkeeper's Report for the period ending September 8, 2009, certain statements for payment and the monthly Investment Report for activity through August 31, 2009, copies of which are attached hereto as Exhibit "D." 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 accept the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 6645 through 6694 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

6. **Approve budget for fiscal year ending May 31, 2010.** Ms. McLennan presented to and reviewed with the Board the draft budget for fiscal year ending May 31, 2010, a copy of which is attached to the Bookkeeper's Report. Discussion ensued regarding the maintenance tax revenue. Ms. McLennan stated that the budgeted maintenance tax revenue will decrease slightly due to the decrease in assessed valuation. 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 adopt the proposed budget for fiscal year ending May 31, 2010, subject to the revised maintenance tax revenue.

7. **Adopt Order Designating Officer to Calculate and Publish Tax Rate for 2009.** The Board reviewed the Order Designating Officer to Calculate and Publish Tax Rate for 2009, a copy of which is attached hereto as Exhibit "E." 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 adopt the Order Designating Officer to Calculate and Publish Tax Rate for 2009, thereby authorizing the District's tax assessor and collector to publish the proposed tax rate of \$0.46 per \$100 assessed valuation (\$0.40 for debt service and \$ 0.06 for operations and maintenance).

8. **Authorize change in fiscal year end to May 31.** Upon motion by Director Wade, seconded by Director Jordan, after full discussion and the question being put to the Board, the Board voted unanimously to authorize changing the District's fiscal year end from September 30 to May 31, to adopt a Resolution Changing Fiscal Year, and to authorize F&J to submit the necessary notifications to the TCEQ informing them of such change.

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

Mr. Mensik stated that the resident at 19902 Sundance has requested an adjustment to his water bill due to unexplained higher usage. Mr. Mensik stated that the

resident's water usage increased about the same amount at the same time last year and his bill was adjusted. It was the consensus of the Board to deny the resident's request.

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 approve the Operations Report and to authorize termination of service to the delinquent accounts.

10. **Review Engineer's Report.** There was no engineer's report at this time.
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. **Other matters.** 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 October 13, 2009.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)