

**MINUTES OF MEETING OF BOARD OF DIRECTORS
JUNE 8, 2010**

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 June 8, 2010, 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. Larry Jones 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 & Associates, tax assessor and collector for the District; Mr. Ron Fort and Ms. Karen Sears of Acclaim Energy; and Ms. Jana Cogburn and Ms. Carla Christensen of Fulbright & Jaworski L.L.P. (“F&J”), attorneys for the District.

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 meetings of the Board held May 11, 2010 and May 17, 2010, previously distributed to the Board, were presented for review and approval. Director Walker noted that Ms. Mary Ann Lapeze’s name is misspelled in the May 11, 2010 minutes. 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 minutes of the meetings of May 11, 2010, as corrected, and May 17, 2010, as presented.

2. **Accept Certificates of Election and Qualify Directors.** Certificates of Election were presented for those candidates elected to the Board: Director Walker, Director Wade and Director O’Hara. Upon motion by Director Jordan, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Certificates of Election for Director Walker, Director Wade and Director O’Hara.

The President then called for the election of officers. Upon motion made by Director Jordan, seconded by Director Wade, after full discussion and the question being put to the Board, the Board voted unanimously to retain the current positions.

3. **Directors take Oath of Office.** It was noted that each of the three elected individuals completed the necessary paperwork qualifying them to serve as a Director and executed his Oath of Office and Statement of Elected Officer.

4. **Review electricity rates and take necessary action in connection with electricity contract with Direct Energy.** The President recognized Mr. Fort, who stated that, based on current market conditions, it will cost the District approximately \$51,600 to cancel its contract with Direct Energy which will expire in March 2013. Discussion ensued regarding the current electrical provider pricing and the natural gas market.

5. **Tax Collector's Report.** Ms. Martinez presented to and reviewed with the Board the Tax Collector's Report for May, 2010, a copy of which is attached hereto as Exhibit "B." Ms. Martinez reported that the District had collected 97.43% of its 2009 taxes as of May 31, 2010. 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 accept the Tax Collector's Report, and to authorize payment of check numbers 2604 through 2609 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

Ms. Martinez reported that the Harris County Appraisal District preliminary taxable value for the District for 2010 is \$407,921,956 (excludes personal property). Ms. Martinez stated that District's personal property taxable value in 2009 was \$9,060,930.

6. **Bookkeeper's Report.** Ms. McLennan presented to and reviewed with the Board the Bookkeeper's Report for the period ending June 8, 2010, certain statements for payment, and the monthly Investment Report for activity through May 31, 2010, copies of which are attached hereto as Exhibit "C." Upon motion by Director Wade, 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 6989 through 7031 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

7. **Review Operations Report and authorize repairs.** Mr. Jones presented to and reviewed with the Board the monthly Operations Report for May, 2010, a copy of which is attached hereto as Exhibit "D."

Discussion ensued regarding the sewer line repairs at 7610 Pine Green. Mr. Jones reported that there is a break in the customer's sewer line, which is causing sand and dirt to build up in the District's main line. Mr. Jones reported that ST has notified the resident that there is break in the sewer line and repairs are required. The Board asked ST to follow up with the customer again.

Mr. Jones reviewed with the Board an email from the resident at 20231 Arboloda Green Court requesting compensation from the District for the period of time she was without water service, a copy of which is attached to the Operations Report. It was the consensus of the Board to deny such request.

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

8. **Review Engineer's Report.** There was no engineer's report at this time.

9. **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 "E."

10. **Public Comments.** The President reported that the next Board meeting (Tuesday, July 13, 2010) will be held at the Rosemont Assisted Living Center at 5:00 p.m.

Discussion ensued regarding the District's election procedures.

11. **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 July 13, 2010.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)