

**MINUTES OF MEETING OF BOARD OF DIRECTORS
MARCH 9, 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 March 9, 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. Leroy Mensik of Severn Trent Services, Inc. (“ST”), operator for the District; Ms. Diane Fingleman of McLennan and Associates, bookkeeper for the District; Ms. Rebecca Martinez of Wheeler & Associates, tax assessor and collector for the District ; Ms. Melinda Garza of AECOM Technical Services, Inc. (“AECOM”), engineer for the District; Ms. Anthea Moran of First Southwest Company, financial advisor for the District; Mr. Joe Stunja of Pinehurst Trail Holdings, a landowner in the District; 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 meeting of the Board held February 9, 2010, previously distributed to the Board, were presented for review and approval. Director Spitzmiller noted one minor correction. 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 minutes of the meeting of February 9, 2010, as corrected.

2. **Review electricity rates and take necessary action in connection with contract with Direct Energy.** It was noted that the current contract with Direct Energy does not expire until March 2013. In response to a question from Director Spitzmiller, Ms. Fingleman stated that the current electricity rate with Direct Energy is 0.0924 per kWh. Ms. Christensen stated that she will contact the District’s electricity broker and invite them to attend the next Board meeting to discuss the District’s options regarding electricity pricing.

3. **Tax Collector’s Report.** Ms. Martinez presented to and reviewed with the Board the Tax Collector’s Report for February, 2010, a copy of which is attached hereto as Exhibit “B.” Ms. Martinez reported that the District had collected 95.17% of its 2009 taxes as of February 28, 2010. 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 2578 through 2594 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

4. **Review Operations Report and authorize repairs.** Mr. Mensik presented to and reviewed with the Board the monthly Operations Report for February, 2010, a copy of which is attached hereto as Exhibit "C."

Mr. Mensik noted that service was terminated for 33 delinquent accounts in February 2010.

In response to a question from Director Spitzmiller, Mr. Mensik stated that he will research and email the Board 1) the details regarding the work order for installation of grass at 20307 Pinehurst Trail and 2) the numerous "weekend operations" charges in connection with multiple visits to the District's water plant.

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

5. **Bookkeeper's Report.** Ms. Fingleman presented to and reviewed with the Board the Bookkeeper's Report for the period ending March 9, 2010, certain statements for payment, and the monthly Investment Report for activity through February 28, 2010, copies of which are attached hereto as Exhibit "D." 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 6863 through 6907 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

In response to a question from Director Spitzmiller, Ms. Cogburn stated that the District's 1997 Bonds included payment for the District's pro-rata share of construction of a shared trunk line that serves Atascocita Town Center and a portion of the District. Ms. Cogburn stated that such trunk line was constructed by Harris County MUD No. 132.

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

Ms. Cogburn reported that she researched the previous discussions and actions taken in connection with the Kings River Homeowners Association ("HOA") drainage ditch located between Redbud Trail and Kings River Drive. It was the consensus of the Board that F&J provide a copy of the research findings to Mr. Ryan Getz and Mr. Dave Allen (a Board member of the HOA).

7. **Accept Assignment of Professional Engineering Services Contract.** The Board reviewed the Assignment of the Professional Engineering Services Contract from AECOM USA, Inc. to AECOM Technical Services, Inc. and the Consent to Assignment, copies of which are attached hereto as Exhibit "E." Upon motion by Director O'Hara, seconded by Director Wade, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Assignment and authorize execution of the Consent to Assignment.

8. **Authorize designation of Underwriter for refunding bond issue.** Ms. Moran recommended that the District designate SAMCO Capital Markets, Inc. as the underwriter in connection with the refunding bond issue. 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 designate SAMCO Capital Markets, Inc. as the underwriter for the bond issuance.

9. **Adopt Order Adopting and Authorizing Distribution of Preliminary Official Statement.** Ms. Moran presented to and reviewed with the Board a revised analysis for refunding the District's Series 1999 Bonds, a copy of which is attached hereto as Exhibit "F." Discussion ensued.

Ms. Moran presented to and reviewed with the Board a draft of the Preliminary Official Statement, a copy of which is attached hereto as Exhibit "G."

The Board reviewed the Order Adopting and Authorizing Distribution of a Preliminary Official Statement for the District's proposed refunding bond issue, a copy of which is attached hereto as Exhibit "H." Discussion ensued. 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 adopt the Order Adopting and Authorizing Distribution of a Preliminary Official Statement.

10. **Adopt Order Authorizing Unlimited Tax Refunding Bonds, Series 2010.** Ms. Cogburn presented to and reviewed with the Board the Order Authorizing the Issuance of Unlimited Tax Refunding Bonds, Series 2010, a Bond Purchase Agreement, a Transfer and Paying Agency Agreement, and an Official Statement, and Authorizing the President of the Board to Approve the Amounts, Interest Rate, Prices and Terms of the Bonds, a copy of which is attached hereto as Exhibit "I." Discussion ensued regarding the parameters for the bond sale. 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 adopt the Order Authorizing the Issuance of Unlimited Tax Refunding Bonds, Series 2010, a Bond Purchase Agreement, a Transfer and Paying Agency Agreement, and an Official Statement, and Authorizing the President of the Board to Approve the Amounts, Interest Rate, Prices and Terms of the Bonds.

11. **Discuss and take necessary action in connection with Directors Election.** Discussion ensued. It was noted that the District will be holding an election on May 8, 2010.

12. **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 "J."

13. **Public Comments.** The President recognized Mr. Stunja, who reported that Pinehurst Trail Holdings is continuing conversations with the Atascocita Community Improvement Association regarding the sale of the golf course property. Discussion ensued.

14. **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 April 13, 2010.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)