

**MINUTES OF MEETING OF BOARD OF DIRECTORS
MAY 10, 2011**

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 May 10, 2011, 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 except Director Wade. 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 & Associates, tax assessor and collector for the District; Mr. Joe Stunja of Pinehurst Trail Holdings; 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 “B,” the following business was transacted:

1. **Minutes.** Proposed minutes of the meeting of the Board held April 12, 2011, previously distributed to the Board, were presented for review and approval. Director O’Hara requested that the minutes be revised to reflect that “It was the consensus of the Board that they not set a precedent by purchasing park equipment for Pine Forest or funding a portion of the cost to replace the track at Greentree.” 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 the minutes of the meeting of April 12, 2011, as revised.

2. **Tax Collector’s Report.** Ms. Martinez presented to and reviewed with the Board the Tax Collector’s Report for April, 2011, a copy of which is attached hereto as Exhibit “B.” Ms. Martinez noted that the District had collected 97.56% of its 2010 taxes as of April 30, 2011. 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 accept the Tax Collector’s Report and to authorize payment of check numbers 2676 through 2686 from the Tax Account in the amounts, to the persons and for the purposes listed in such Report.

3. **Review and take necessary action in connection with Tax Assessor and Collector’s Contract with Wheeler & Associates.** Ms. Martinez requested that this item be deferred, pending the attorney and Board’s review of the contract.

4. **Bookkeeper's Report.** Ms. McLennan to and reviewed with the Board the Bookkeeper's Report for the period ending May 10, 2011, certain statements for payment, and the monthly Investment Report for activity through April 30, 2011, copies of which are attached hereto as Exhibit "D." Upon motion by Director Jordan, 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 7436 through 7466 from the General Fund in the amounts, to the persons, and for the purposes listed in such Report.

Ms. McLennan reported that pursuant to the Board's request, monies previously invested with TexPool have been transferred to BBVA Compass Bank money market accounts.

5. **Engage Arbitrage Compliance Specialists to perform rebate calculations in connection with Series 2003 Bonds and Series 2010 Bonds.** Ms. Cogburn reviewed with the Board the Engagement Letters from Arbitrage Compliance Specialists, Inc. for review of the District's Series 2003 and Series 2010 bond issues for compliance with arbitrage requirements and possible arbitrage earnings, a copy of which is attached hereto as Exhibit "D." 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 engage Arbitrage Compliance Specialists to perform the necessary review of the District's Series 2003 Bonds and Series 2010 Bonds and to authorize the Board President to execute the engagement letters.

6. **Review Operations Report and authorize repairs.** Mr. Mensik presented to and reviewed with the Board the monthly Operations Report for April, 2011, a copy of which is attached hereto as Exhibit "E."

Mr. Mensik reviewed with the Board a letter received from a resident requesting a refund in the amount of \$50.00 for disconnection and reconnection of her service, a copy of such request is attached to the Operations Report. It was the consensus of the Board to deny such request.

Mr. Mensik reviewed with the Board a letter received from a resident requesting that her \$200 deposit from a previous District residence be refunded, a copy of such request is attached to the Operations Report.

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 approve the Operations Report, to authorize termination of service to delinquent accounts, and to authorize a refund of the \$200 deposit to the previous resident at 19803 Firesign Drive.

7. **Approve 2010 Consumer Confidence Report.** Mr. Mensik reviewed with the Board the 2010 Consumer Confidence Report ("CCR"), a copy of which is attached to the Operations Report. Upon motion by Director Jordan, seconded by Director O'Hara, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CCR and authorize distribution of same by July 1, 2011.

8. **Discuss and take necessary action in connection with repairs to water well.** Mr. Mensik reported that Alsay pulled the well pump and is in the process of cleaning the well. Mr. Mensik stated that the televising of the well pump and stack should take place later this week and the well pump and motor should be installed and operational by the end of next week.

9. **Review Engineer's Report.** The President reported that the engineer has nothing to report at this time.

10. **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 "F."

11. **Public Comments.** There were no comments from the public at this time.

12. **Other matters.** The President recognized Mr. Stunja, who reported that the lawsuit relating to the sale of the former golf course property is still ongoing.

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 June 14, 2011.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)