

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 249

Minutes of Meeting of Board of Directors December 18, 2014

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 249 (the "District") met at the Board's regular meeting place on December 18, 2014, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Willie Hodge, President
Daniel Stage, Vice President
Ralph V. Palermo, Secretary
Charles Albright, Assistant Secretary
Norman C. Adamek, Assistant Secretary

and all of said persons were present, except Director Adamek, thus constituting a quorum.

Also present were Blake Kridel of Storm Water Solutions, LP ("SWS"); John Davis of Langford Engineering Inc. ("Langford"); Eric Thiry of Environmental Development Partners, LLC ("EDP"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Cory Burton of Municipal Accounts & Consulting, L.P. ("MAC"); Michael Murr of Murr, Incorporated ("Murr"); Deputy Herman Hoffschneider of the Harris County Sheriff's Office ("HCSO"); District resident Cindy Adamek; and Christopher Skinner of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

MINUTES

The Board first reviewed the draft minutes of its meeting held on November 20, 2014. After discussion of the minutes presented, Director Palermo moved that the November 20, 2014, minutes be approved, as written. Director Albright seconded said motion, which carried unanimously.

COMMENTS FROM THE PUBLIC

The Board deferred comments from the public, as none were presented.

DISTRICT SECURITY ISSUES

Deputy Hoffschneider next addressed the Board regarding the status of criminal activity in and around the District. Deputy Hoffschneider responded to questions from the Board and then exited the meeting.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. McLaughlin next presented to and reviewed with the Board the Tax Assessor-Collector's report for the month of November 2014, which report is attached hereto as **Exhibit A**. After discussion on the report presented, Director Stage moved that the Tax Assessor-Collector's Report be approved and that the disbursements identified in said report be approved for payment from the District's tax account. Director Albright seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTION ATTORNEYS' REPORT

Mr. Skinner presented to and reviewed with the Board the Delinquent Tax Collection Attorneys' Report, dated December 18, 2014, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax collection attorneys; a copy of such report is attached hereto as **Exhibit B**. He noted that no Board action was required with respect to any of the accounts listed in the report.

BOOKKEEPER'S REPORT

Mr. Burton next presented to and reviewed with the Board the Bookkeeper's Report dated December 18, 2014, including (i) the disbursements presented for payment from the District's General Operating Fund, Capital Projects Fund and the Sewage Treatment Plant ("STP") Account, (ii) a Fund Balance Report, (iii) a Pledged Securities Report, (iv) an Actual versus Budget Comparison for November 2014 for the Operating Fund and the STP Account, (v) a Debt Service Payments Schedule, and (vi) a Sales Tax Revenue History Report, copies of which are attached hereto as **Exhibit C**. After discussion, it was moved by Director Hodge that the Bookkeeper's Report be approved and that the various disbursements identified therein be authorized for payment, with the exception of check number 6142 payable to Director Adamek, which was voided. Director Stage seconded the motion, which carried unanimously.

OPERATING BUDGET

Mr. Burton next reviewed with the Board draft budgets for the District's General Operating Fund and the Sewage Treatment Plant Operations Account for the fiscal year ending December 31, 2015, copies of which draft budgets are included with **Exhibit C**. After discussion on the matter, Director Palermo moved that the Board approve the District's General Operating Fund and Sewage Treatment Plant Operations Account budgets for the fiscal year ending December 31, 2015, as presented. Director Albright seconded said motion, which carried unanimously.

DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Kridel presented to and reviewed with the Board a Detention and Drainage Facilities Report for December 2014 prepared by SWS, a copy of which report is attached hereto as **Exhibit D**.

Mr. Kridel discussed the additional grading on the Cypresswood commercial property. He noted that the site requires several additional loads of fill before the grading work can be completed.

Mr. Kridel next advised the Board that the Storm Water Quality Permit for Spring Lakes, Section Eight (the "Permit"), will expire on January 31, 2015. He then presented to and reviewed with the Board a Storm Water Quality Permit Application for renewal of the Permit and requested that the Board authorize the President to execute same on behalf of the Board and the District. After discussion on the matter, Director Stage moved that the President be authorized to execute said application for the renewal of the Storm Water Quality Permit for Spring Lakes, Section Eight, on the behalf of the Board and the District. Director Hodge seconded the motion, which carried unanimously.

ENGINEERING REPORT

Mr. Davis next presented to and reviewed with the Board the Engineering Report, dated December 18, 2014, a copy of which report is attached hereto as **Exhibit E**, relative to the status of various projects within the District.

Mr. Davis then reported that Spring Baptist Church (the "Church") is requesting sanitary sewer service from the District. After discussion, the Board authorized: (i) EDP to determine if the Church's fire connection is currently being metered, (ii) Langford to confirm the Church's current provision of water and sewer service, and (iii) SPH to review the District's current agreement with the Church.

Mr. Davis next reported that the Adkisson Group has indicated that LGI Land will not be moving forward with its purchase of the 23.3 acre tract and the Home of Hope tract and that Adkisson Group would like to continue with the annexation of the 23.3 acre tract into the boundaries of the District for development of a low rise office and warehouse space, as previously discussed with the Board. After discussion, the Board authorized SPH to request a deposit of \$20,000 from the Adkisson Group for the preparation of an annexation agreement.

BEST WESTERN (JUBILEE WESTERN, LLC) WATER METER EASEMENT

Mr. Skinner next presented a Water Meter Easement which would allow the District access to two water meters located on two separate 250 square foot tracts of land owned by Jubilee Western, LLC (the "Easement"). After discussion, it was moved by Director Albright seconded by Director Hodge and unanimously carried, that the Board accept the Easement.

NORTHLAND SHOPPING CENTER AND 6.867-ACRE TRACT ANNEXATION

The Board considered the status of annexation of the Northland Shopping Center and the 6.867-acre tract into the boundaries of the District. Mr. Skinner informed the Board that SPH has received the revised boundary map for the Northland Shopping Center. He further reported that the application would be filed with the City of Houston when SPH has received the executed Lien Release from Northland Joint Venture.

STATUS OF ACQUISITION OF EASEMENTS TO SERVE NORTHLAND SHOPPING CENTER

Mr. Skinner next updated the Board on the status of acquisition of various easements necessary for the District to provide water and sanitary sewer service to Northland Shopping Center. In connection therewith, Mr. Skinner reported that the District has received a response from the its final offer letter for acquisition of a 15' Force Main Easement and a 10' Water Line Easement in the amount of \$10,718. After discussion, it was moved by Director Stage, seconded by Director Albright and unanimously carried, that the final offer in the amount of \$10,718 be approved and that the District's bookkeeper be authorized to issue a check in said amount. Mr. Skinner further reported that the offer letters to the other landowner's have been sent and the responses are expected in approximately 30 days.

PROVISION FOR SECONDARY WATER SOURCE FOR WET 'N' WILD SPLASHTOWN ("SPLASHTOWN")

Mr. Skinner next presented to and reviewed with the Board a revised draft Temporary Emergency Water Supply Agreement between the District and CLP Splashtown, LLC (the "Agreement"), a copy of which Agreement is attached hereto as **Exhibit F**. He then discussed the revised Agreement and the acquisition of the 2920 easements and the necessary the lienholder consents. After discussion, it was moved by Director Palermo, seconded by Director Albright and unanimously carried, that the Board approve the Agreement, subject to final review and comment by SPH.

Mr. Davis next informed the Board that Langford is working on the design to connect the District's system with Splashtown's system in order to provide temporary emergency water services to Splashtown. He noted that the Splashtown water well will need to be tested in order to determine size of the District meter.

BAYER PARK WASTEWATER CONVEYANCE AND TREATMENT PROJECT

With respect to the Bayer Park wastewater conveyance and treatment project, Mr. Skinner reported on the status of the Interlocal Agreement between the District and the County for the project.

LANDSCAPING REPORT

Mr. Murr next addressed the Board and presented a Landscape Management Report dated December 18, 2014. He noted that the photographs in report are of the Lexington Road Landscaping Project, a copy of the Report is attached hereto as **Exhibit G**.

OPERATIONS AND MAINTENANCE REPORT

The Board next considered the Operations and Maintenance Report. Mr. Thiry presented to and reviewed in detail with the Board a written Operations Report prepared by EDP, dated as of December 18, 2014; a copy of the Report is attached hereto as **Exhibit H**.

ISSUANCE OF UTILITY COMMITMENTS

The Board next deferred action regarding the issuance of utility commitments, as no requests for same had been received by the District.

WEBSITE PROVIDER

No updates to the website were requested at this time.

ATTORNEY'S REPORT

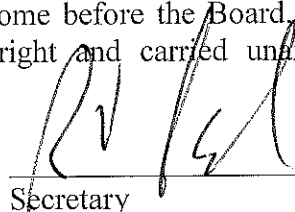
The Board next considered the Attorney's Report. In connection therewith, Mr. Skinner advised the Board that he had nothing additional to discuss with the Board of legal nature which was not covered under specific agenda items.

CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.072

The Board deferred convening in Closed Session, as authorized pursuant to Texas Government Code Sections 551.071 and 551.072 at this time.

ADJOURN

There being no further business to come before the Board, upon motion duly made by Director Stage, seconded by Director Albright and carried unanimously, the meeting was adjourned.



Secretary

LIST OF ATTACHMENTS TO MINUTES

Exhibit A – Tax Assessor-Collector's Report

Exhibit B – Delinquent Tax Report

Exhibit C – Bookkeeper's Report

Exhibit D – Detention and Drainage Facilities Report

Exhibit E – Engineer's Report

Exhibit F – Draft Temporary Emergency Water Supply Agreement between the District
and CLP Splashtown, LLC

Exhibit G – Landscape Management Report

Exhibit H – Operations and Maintenance Report