

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 50

Minutes of Board of Directors Meeting

Date: January 23, 2017

The Board of Directors (the "Board" or "Directors") of Harris County Municipal Utility District No. 50 (the "District") met in regular session, at 12900 Crosby Lynchburg Road, Barrett Station, Texas 77532, at 6:00 p.m., on Monday, January 23, 2017, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code; whereupon the roll was called of the members of the Board, to-wit:

Martin Lemond	President
Simone Green	Vice President
Alice Dangerfield	Secretary
Daryl G. Johnson	Assistant Secretary/Investment Officer
Andrew Sonnier	Director

All members of the Board were present. Also present were Jaleesa Auzenne, Executive Director; June Muth of San Jacinto Tax Services Co., L.L.C.; Kandy Pfeffer of ETI Bookkeeping Services; Lee Roy Williams and Doris Singleton, District customers.

The President, after finding that notice of the meeting was posted as required by law, and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may come before it.

1. Public Comment. The President then opened the meeting to public comment.
 - a. Mr. Williams, who resides at 13317 Paris Street, addressed the Board concerning the connection to sewer lines near Parish Street by the cemetery. Mr. Williams currently has a water connection, but does not have a sewer connection. It was the consensus of the Board to determine the extent of the current sewer lines, the cost to extend the sewer line for Mr. Williams to connect and contact Mr. Williams upon receipt of this information.
 - b. Ms. Singleton, who resides at 609 Red Oak, addressed the Board concerning the number of fire hydrants in the Arcadian Garden's area. Her concern regards the safety of the area in the case of an emergency. The Board inquired about the number of fire hydrants in Ms. Singleton's area and no exact number was determined. It was the consensus of the Board to determine who is responsible for fire hydrants within the District and look into confirming that the District has enough fire hydrants to ensure the safety of the District customers.

As there were no further public comments offered, the President directed the Board to proceed with the agenda.

Mr. Williams and Ms. Singleton exited the meeting at this time.

2. Bookkeeper's Report. Kandy Pfeffer presented the Bookkeeper's Report and Investment Report for December 2016, a copy of which is attached hereto as Exhibit "A."
 - a. Ms. Pfeffer first updated the Board on the General Operating Fund. Ms. Pfeffer reviewed additional funds needed to be transferred from the Operating Reserve Fund.
 - b. Ms. Pfeffer next presented checks written, to be approved from General Operating Fund and unusual checks were brought to the Board's attention.
 - c. Ms. Pfeffer then updated the Board regarding the Operating Reserve Fund.
 - d. Ms. Pfeffer reviewed the Capital Projects Fund.
 - e. Ms. Pfeffer reviewed the outstanding 2015 CWSRF and 2016 DWSRF bond series.
 - f. Then, Ms. Pfeffer reviewed the Debt Service Fund and Investment Report.
 - g. The budget was reviewed by Ms. Pfeffer with the advisement by Ms. Pfeffer regarding areas of the budget that should be monitored.

Upon a motion by Director Sonnier, seconded by Director Dangerfield, after full discussion with all Directors present voting aye, the Board approved the Bookkeeper's Report, as presented; and authorized payment of checks numbered 11274 through 11336 from the General Operating Fund.

3. Tax Assesor/Collector's Report. The Tax Assessor-Collector's Report for the month of December 2016, a copy of which is attached hereto as Exhibit "B," was presented by Ms. Muth.
 - a. Ms. Muth reviewed the Tax Data Collection Report and reported that 88.40 % of the 2015 taxes and 21.21% of 2016 taxes have been collected.
 - b. Ms. Muth then highlighted the transfer of \$46,000.00 to the Debt Service Fund as suggested by the District's Auditor, Mark Roth, to achieve the goal of \$20,000.00 in the Tax Accounts Balance.
 - c. Ms. Muth presented \$1,697.34 delinquent account adjustments.

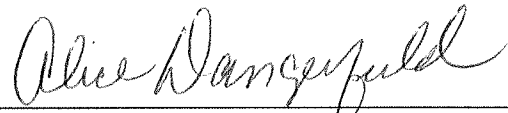
Upon motion by Director Sonnier, seconded by Director Green, after full discussion with all Directors present voting aye, the Board approved the Tax Assessor-Collector's Report, as presented; authorized payment of checks numbered 1171 through 1176; and approved account adjustments, as presented.

4. Executive Director's Report.

- a. Ms. Auzenne presented the status of the engineer procurement for Series 2015 and Series 2016 Texas Water Development Board (the "TWDB") projects. Ms. Auzenne reported that to-date, all documents have been submitted and corrected as requested by the TWDB. Ms. Auzenne indicated that she expects to have an approval status update by the end of the week.
 - b. Ms. Auzenne then discussed the status of the State Infrastructure Bank Loan. Ms. Auzenne reported that the loan documents were appropriately signed and received by Mr. Radcliffe's office on January 18, 2017. Ms. Auzenne went on to report that all required documents and payments were confirmed to have been sent to Deborah Fleming on January 19, 2017. Currently, the loan of \$500,000 is scheduled to be wired to the District's account on January 26, 2017.
 - c. Ms. Auzenne discussed with the Board an approach to future revisions to the District's Rate Order. Ms. Auzenne then indicated that there have been customer concerns and discussed the plan to consult with Karen Kendricks regarding suggested changes to present to the Board.
5. The annual review of Ethics Policy and Credit Card Policy was tabled until the next meeting scheduled for February 7, 2017.

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, the meeting was adjourned.

PASSED and **APPROVED** this the 7th day of February, 2017.



Secretary, Board of Directors

EXHIBITS:

- A - Bookkeeper's Report and Investment Report
- B - Tax Assessor-Collector's Report