

MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 62
HARRIS COUNTY, TEXAS

May 13, 2011

THE STATE OF TEXAS §

COUNTY OF HARRIS §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 62 (the "District") of Harris County, Texas, met in regular session, open to the public, on the 13th day of May 2011, at the residence of Director Vince Zinnante, 22534 Vobe Court, Katy, Texas, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Vince Zinnante	President
S. J. Doehring, III	Vice President
Candace Jones	Secretary
Dan Janik	Assistant Secretary
Kay Stephenson	Director

All Directors were present, except Director Janik, thus constituting a quorum.

Also present were Ms. Sara Ahlschlager of Wheeler & Associates, the District's Tax Assessor/Collector; Mr. Don White and Mr. Roger Van Horn of Advantage Water Management, the District's Operators; Mr. Jared Bowlin, P.E. of Edminster, Hinshaw, Russ & Associates, the District's Engineers; Mr. Heath Melton of Sueba USA, a developer in the District; and Mr. John R. Wallace of Bacon & Wallace, L.L.P., the District's Attorneys.

WHEREUPON, following a notation that notices of the meeting had been duly posted in accordance with law, copies of which are attached hereto as exhibits, the meeting was called to order.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Minutes for the meeting of the Board of Directors of April 8, 2011 were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve such minutes as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

Sara Ahlschlager presented the Tax Assessor/Collector's report, a copy of which is

attached hereto as an exhibit. Ms. Ahlschlager reported that the District had collected 98.88% of the 2010 tax levy. She reported that West Side Ventures settled their tax suit with the Harris County Appraisal District. Ms. Ahlschlager reported that \$28.45 will be wired from the Tax Fund to the Debt Service Fund to make the refund. She reported that the delinquent tax statements are ready to be mailed, which also advises the taxpayers of the 20% collection penalty. Ms. Ahlschlager said that she expects the District's preliminary tax value in time for next month's meeting. Upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's report as presented, and payment of the checks listed thereon.

BOOKKEEPER'S REPORT

Mr. Wallace reviewed the Bookkeeper's report with the Board, prepared by Myrtle Cruz, Inc., the District's Bookkeepers, a copy of which is attached hereto as an exhibit. The Board noted that the year-to-date budget shows a net surplus. Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's report, and payment of the checks listed thereon.

OPERATOR'S REPORT

Roger Van Horn presented the Operator's report, a copy of which is attached hereto as an exhibit. Mr. Van Horn reported that the District only accounted for 87% of the water produced during the previous month without explanation. He reported that the water samples were good, the systems are still separated, and Harris County Municipal Utility District No. 61 ("MUD No. 61") accounted for 95% of its water last month. Mr. Van Horn said that the interconnect valve is still an issue but he is not sure if it relates to the low accountability. He reported that there was a leak on the line across Mason Creek from Crutchfield, and the Operator will check on this again. Director Zinnante reported low water pressure in his subdivision in the afternoons. Don White said that they have not received any other calls about this, but it might be due to extensive lawn watering. He reported that a two-inch gasket failed on the Provident Apartments' irrigation line, which was repaired. Mr. Van Horn said that he will check on the billing status of the apartments and report back. Director Doehring requested that the entire water system be reviewed again to find the water loss. Mr. Van Horn reported that the meter reading from the school was an estimate because the meter was under water, a reread was made, and the problem is being resolved. Mr. Van Horn assured the Board members that there are no unmetered connections. The Operators agreed to review the District's water system again. Mr. Van Horn noted that the hydrants in the ring road (vacant land) are valved off and bagged. Mr. Van Horn recommended that the interconnect with MUD No. 61 be closed. Following discussion, upon motion duly made and seconded, the Board voted unanimously to authorize the Operator to close the interconnect with MUD No. 61 at Bucktrout, after notifying their operator.

Mr. Van Horn presented and reviewed with the Board a draft 2010 Drinking Water Quality Report for the District, a copy of which is attached hereto as an exhibit. Mr. Van Horn proposed to include the Report to customers in the next water billing. Following review, upon motion duly made and seconded, the Board voted unanimously to approve the Report for distribution

Upon motion duly made and seconded, the Board voted unanimously to approve the Operator's report as presented.

ENGINEER'S REPORT

Jared Bowlin presented the Engineer's report, a copy of which is attached hereto as an exhibit. Mr. Bowlin reported that the Grand Park – Partnership Way utilities and the Grand Park detention pond are substantially complete. He reported that a Harris County Public Infrastructure Department Financial Surety Re-inspection for the Westside Office Park, Section 1 was performed on May 2, 2011, yielded no deficiencies, and has been accepted by Harris County. Regarding the Grandeur Park development, Mr. Bowlin reported that Kickerillo Company has requested that the design engineer update their development cost estimates.

Mr. Bowlin then reported that the Texas Commission on Environmental Quality has accepted the District's Emergency Preparedness Plan.

Mr. Bowlin next reported that Harris County Municipal Utility District No. 63 is soliciting bids for the maintenance of the shared facilities. A copy of the letter notifying the District of the maintenance participation is attached.

Mr. Bowlin next reported that operations were within permit parameters at the Williamsburg Regional Sewage Treatment Plant (the "Plant").

Mr. Wallace reported receiving a request for water services from the District for a tract of land east of Mason Road. He said that he informed the developer that the District was probably not interested in serving them.

Mr. Bowlin then reported that Westside Ventures has 21 acres under contract for an office park development. He reported that the Grand Parkway developer has announced that contracts for Segment E are ready to let.

The Board requested that Mr. Wallace review the District's water commitment to Simon Properties.

WILLIAMSBURG REGIONAL SEWAGE AUTHORITY REPORT

Director Zinnante reported that four directors toured the Plant on April 20, 2011, and the board will now meet every other month. He reported all of the improvements are substantially complete. Director Zinnante said that there was a problem with one of the blower motors. He said that there were no problems with the variable frequency drives, the drain system was rerouted to allow cleaning of the basins, the bar screen issues have been resolved, and the chlorine tank was replaced.

Mr. Van Horn reported that there was a soap problem at the Plant last month. He said that Bargain Wholesale, in MUD No. 63, was dumping concentrated soap into the system. He

reported that he caught them dumping and took a sample. Mr. Van Horn said that he does believe the Plant went out of permit parameters due to the soap.

OTHER MATTERS

Heath Melton reported that his firm commenced a project in Pearland recently. Mr. Melton said that they hope to start on the 249 site development next year, noting that the equity requirements have increased.

There being no further business to come before the Board, the meeting was adjourned.

Laniece B. Jones
Secretary, Board of Directors

(SEAL)

