

MINUTES OF MEETING OF BOARD OF DIRECTORS
FEBRUARY 23, 2011

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 152

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 152 (the "District") met in regular session, open to the public, at the offices of Fulbright & Jaworski L.L.P., 1301 McKinney, Houston, Texas at 11:30 a.m. on Wednesday, February 23, 2011, whereupon the roll was called of the members of the Board, to wit:

Kelly Cline, President
Doug Walker, Vice President
Charlie Crocker, Secretary
Ernest Bezdek, Assistant Secretary
Vacant, Assistant Secretary

Persons Attending. All members of the Board were present. Also attending all or parts of the meeting were Ms. Stacy Wagner of Wheeler & Associates, tax assessor and collector for the District; Ms. Freida Conley of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Leroy Mensik of ST Environmental Services ("ST"), operator for the District; Mr. Teague Harris of Pate Engineers ("Pate"), engineer for 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 President called the meeting 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.** The Board considered the proposed minutes of the meeting of January 26, 2011, copies of which were previously distributed to the Board. Upon motion by Director Crocker, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of January 26, 2011, as presented.

2. **Accept qualifications and appoint new Director.** This item was tabled until the next Board meeting.

3. **Review Tax Collector's Report and authorize payment of certain bills.** Ms. Wagner presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of January, 2011 and the delinquent tax attorney report, copies of which are attached hereto as Exhibit "B." Ms. Wagner noted that 92.32% of the District's 2010 taxes had been collected as of January 31, 2011. Upon motion by Director Walker, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, and to authorize payment of check numbers 3344 through 3350 from the Tax Account to the persons, in the amounts and for the purposes listed in such report.

4. **Review Bookkeeper's Report and authorize payment of bills.** Ms. Conley presented to and reviewed with the Board the Bookkeeper's Report and the Investment Report for the month of January, 2011, a copy of which is attached hereto as Exhibit "C." Upon motion by Director Walker, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, to approve the Investment Report, and to authorize payment of check numbers 6906 through 6927 from the General Operating Account to the persons, in the amounts, and for the purposes listed in such report.

5. **Review Operations Report and authorize repairs.** Mr. Mensik presented to and reviewed with the Board the Operations Report for January, 2011, a copy of which is attached hereto as Exhibit "D." Mr. Mensik reported that 89.83% of the water pumped was billed for the month ending January 17, 2011.

Mr. Mensik reported that the water well no. one well motor should be installed in the next two weeks. In response to a question, Mr. Mensik stated that the new generator will be tested once the new well motor is on-line.

Upon motion by Director Crocker, seconded by Director Walker, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operations Report.

6. **Consider and take necessary action in connection with request from Harris County MUD Nos. 106 and 290 ("No. 106" and "No. 290") for emergency interconnect.** The Board reviewed the letter from No. 106 and No. 290 requesting that the District consider entering into an emergency water supply agreement, a copy of such letter is attached hereto as Exhibit "E." Discussion ensued. It was the consensus of the Board to not enter into an emergency water supply agreement with Nos. 106 and 290. Ms. Cogburn stated that F&J will notify the attorney for Nos. 106 and 290 of the Board's decision.

7. **Engineer's Report.** Mr. Harris presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "F."

Mr. Harris reported that the Board previously awarded the contract for the construction of the diesel generator at Water Plant No. One to the low bidder, C.F. McDonald Electric, Inc., in the amount of \$189,194. Mr. Harris reported that the contractor has installed the generator and has completed the power and control wiring. Mr. Harris stated that the final inspection was held on February 3, 2011. Mr. Harris noted that the contractor is addressing the punch list items.

Mr. Harris reported that Pate submitted the well no. one motor purchase features in accordance with the Board's decision. Mr. Harris noted that the new well motor will be a super premium motor (including a three-year warranty), and a second preventative dip and bake of the motor windings will be performed by Northside Electric, which will not affect the manufacturer's warranty.

Mr. Harris reported that Harris County MUD No. 153 anticipates upgrading the shared lift station with the District once Harris County MUD No. 494 proceeds with construction of their development, which has been postponed.

Mr. Harris reported that Pate contacted Harris County Flood Control District's ("HCFC") maintenance engineering group. Mr. Harris reported that a HCFC representative stated that the plans for the repairs in connection with bank failure after Hurricane Ike have been presented to the Army Corp of Engineers for approval. Mr. Harris reported that once the Army Corps of Engineers has approved the permit, the project will be submitted to Commissioner's Court for authorization to bid. Mr. Harris reported that the soonest that construction will commence is about July 2011.

Upon motion by Director Crocker, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report.

8. **Authorize execution of letter agreement with Northeast Baptist Church.** The Board reviewed the letter agreement with Northeast Baptist Church regarding the capital recovery fee and usage of a private well, a copy of which is attached hereto as Exhibit "G." Discussion ensued. Upon motion by Director Walker, seconded by Director Bezdek, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the letter agreement with Northeast Baptist Church.

9. **Discuss and take necessary action in connection with improvements to shared lift station with Harris County Municipal Utility District No. 153.** There was no further discussion on this item.

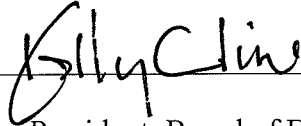
10. **Authorize capacity commitments.** Mr. Harris reported that there is nothing new to report in connection with the proposed construction of a gas station, convenience store and fast food restaurant on 2.7 acres on West Lake Houston Parkway at Aerobic Drive.

11. **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.

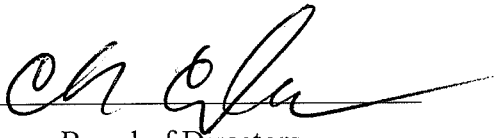
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The above and foregoing minutes were passed and approved by the Board of Directors on
March 23, 2011.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

