

MINUTES OF MEETING OF BOARD OF DIRECTORS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 153  
December 20, 2006

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 153 §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 153 (the "District") met in regular session, open to the public at Fulbright & Jaworski L.L.P., 1301 McKinney, Houston, Texas 77010, at 11:30 a.m. Wednesday, December 20, 2006, whereupon the roll was called of the members of the Board, to-wit:

- Jim Davis, President
- Rick Soliz, Vice President
- William Clarey, Secretary
- Richard DeYoung, Treasurer
- Sam Claytor, Jr., Assistant Secretary

All members of the Board were present. Also attending all or portions of the meeting were Mr. Gary Hastings of Aqua Services, L.P., operator for the District; Ms. Autumn Phillips of Municipal Accounts and Consulting, L.P. ("MA&C"), bookkeeper for the District; Mr. Bob Leared of Bob Leared Interests, tax assessor-collectors for the District; Mr. Sam Zabaneh and Ms. Karena Hauter of Brown & Gay Engineers, Inc. ("BGE"), engineers for the District; and Mr. Oliver Pennington and Ms. Yvette Deitrick of Fulbright & Jaworski L.L.P. ("F&J"), attorneys for the District.

The meeting was called to order in accordance with the notice posted pursuant to law, Chapter 551, Government Code; Section 49.063, Texas Water Code; copies of certificates of posting of which are attached hereto as Exhibit "A", the following business was transacted:

1. **Minutes of the meeting of November 15, 2006.** Minutes of the meeting of November 15, 2006, previously distributed to the Board, were presented for consideration and approval. Upon motion by Director Claytor, seconded by Director Clarey, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes, as presented.
2. **Public Comments.** There were no public comments.
3. **Discuss Security Issue and Take Any Necessary Action.** Director Clarey stated that it would be desirable to find out what level of service is provided for the annual security cost of \$6,000. Director Claytor stated that the constables are not visible in the District and that there have been home construction thefts. Director Clarey stated that he would find out what the other districts in the Atascocita Joint Operations Board are paying for security. Director Soliz stated

that the constable has been more visible in the District the last few weeks and that there were some car windows damaged by BB guns recently. The Board discussed having a constable attend the January meeting in the District. Director Soliz stated that he would contact the Homeowner Association to invite them to the meeting and place an ad in the newspaper to notify the residents of the January meeting in the District.

4. **Tax Assessor and Collector's Report, status of delinquent tax accounts, and payment of bills.** The President recognized Mr. Leared, who presented to and reviewed with the Board the Tax Assessor-Collector's Report for November, a copy of which is attached hereto as Exhibit "C." Mr. Leared noted that 0.278% of the District's 2006 taxes have been collected as of November 30, 2006. He stated that another \$130,000 has been collected in December for the District, so that approximately 7% of the District's 2006 taxes have been collected.

Mr. Leared asked the Board if it wanted to approve an aerial photograph of the District to document the value in the District for the tax roll. Mr. Leared estimated the cost to be approximately \$350 to \$400, and stated the photograph can also be put on disk for an additional \$50 to \$60, which can be utilized by the District engineer.

Upon motion by Director Claytor, seconded by Director Clarey, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor-Collector's Report, to authorize the expenditures listed therein, and to approve the aerial photograph and disk of the photograph.

5. **Bookkeeper's Report, Investment Report, and payment of bills.** The President recognized Ms. Phillips, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "D." Ms. Phillips reported that Academy Development paid its invoices and that the owner of the 1.54 acre tract paid the \$15,000 annexation deposit.

Ms. Phillips reported that a Certificate of Deposit ("CD") would mature before the next Board meeting. She stated that the funds from the maturing CD would be invested at the best interest rate available for the appropriate term.

Ms. Phillips presented to and reviewed with the Board a spreadsheet of the annexation costs and credits for the two annexation tracts, a copy of which is attached hereto as Exhibit "D."

Upon motion by Director DeYoung, seconded by Director Claytor, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report, to authorize payment of the checks listed therein, and to invest the funds from the maturing CDs at the best interest rate available.

6. **Atascocita Joint Operations Board ("AJOB") report and approval of Atascocita Joint Operations Board Construction Contract.** Director Clarey reported that 60% of the wastewater treatment plant expansion is complete. He reported that Severn Trent Services requested an additional operator for the expanded wastewater treatment plant. Director Clarey reported that the additional operator would increase the District's cost from \$0.45 to \$1.00 per connection per month.