

MINUTES OF MEETING OF BOARD OF DIRECTORS
July 1, 2014

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 55

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 55 (the “District”) met in **special** session, open to the public, at 2300 Pilgrims Point, Webster, Texas on Tuesday, July 1, 2014, whereupon the roll was called of the members of the Board, to-wit:

Robert L. Squires, President
Sam Longoria, Vice President
Billy L. Pate, Secretary
Richard Klenk, Treasurer
Gabriel Mendez, Assistant Secretary

All members of the Board were present, except for Director Pate.. Also attending all of parts of the meeting were Ms. Melinda Salazar and Ms. Melissa Meyer of Brown & Gay Engineers, Inc. (“BGE”), engineers for the District; Mr. Alexander Kuzovkov and Mr. Kenyon Hunt of Klotz Associates; and, Mr. Jerald Landis of Gulf Coast Waste Disposal Authority.

The meeting was called to order in accordance with notice posted pursuant to law, copies of the Certificates of Posting of which are attached hereto as *Exhibit A*, and the following business was transacted:

1. Discuss Gulf Coast Waste Disposal Authority. The President recognized Mr. Kuzovkov, who presented to and reviewed with the Board the high flow impact evaluation and mitigation report, a copy of which is attached hereto as Exhibit “B”. Mr. Kuzovkov presented to the Board recommendations of alternatives to mitigate impact of peak flow events.

President Squires asked Mr. Kuzovkov who or what is at fault for the needed recommendations. Mr. Kuzovkov stated that I &I report showed that the City of Friendswood to be at 81%, the District at 16%, the City of Houston at 3% and MUD 1 at 1%. Mr. Kuzovkov stated two alternatives that can prevent any further overflow and creating additional fines. Mr. Kuzovkov stated that all participants could agree to build an Equalization Basin. Mr. Kuzovkov stated that this would provide for a lower capital cost and life cycle cost, however, there is a potential for order problems, the basin would require a large amount of space which would limit future expansion of the plant and it would require intensive labor to clean and maintain after each rain event. Mr. Kuzovkov stated the second alternative is that the participants could purchase a new clarifier and RAS pump station. Mr. Kuzovkov stated that the estimated cost is \$3,888,000 and the District would be responsible for 16% of the cost if the other participants agreed.

2. Other matters. President Squires asked Ms. Salazar about the Rex Road water line. President Squires stated that she needed direction on how to reply to Mr. Blackburn, the attorney for the land owners on Rex Road. The Board directed Ms. Salazar to send a letter

concerning the fees for the ability analysis only, line locations and sizes of lines and if Mr. Blackburn had any other questions he will need to come before the Board..

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 July 15, 2014.

President, Board of Directors

ATTEST:

Secretary, Board of Directors