

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

November 13, 2014

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 165 (the "District") met in special session, open to the public, on the 13th day of November, 2014, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Alan Bentson	President
David Molina	Vice President
Wayne Green	Secretary
Janet Davidson	Assistant Secretary
Keith Maddox	Assistant Vice President

and all of the above were present except Director Green, thus constituting a quorum.

Also present at the meeting were Lori Buckner of Myrtle Cruz, Inc; Robert Mann of VF Waste; Bo Egbert of WCA Waste Corporation of Texas; Jerrell Wolff and Justin Wolff; Manny Rios of Friendswood Development Company; Teri League of Royal Disposal; Stephen Eustis of RBC Capital Markets; Sherri Greenwood of BKD, Inc; and Jessica Holoubek, Heather Trachtenberg and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

ISSUANCE OF BOND ANTICIPATION NOTE SERIES 2014

Ms. Holoubek presented a Resolution Authorizing the Issuance of a Bond Anticipation Note in the amount of \$16,564,100 to fund the construction or acquisition of (1) design of the Wastewater Treatment Plant Expansion; (2) construction, engineering/materials testing and storm water pollution prevention for Pine Creek at Canyon Lakes West, Sections 6, 7 and 8; (3) 7-inch waterline and Longenbaugh Ditch Crossing (including engineering and materials testing); (4) construction, engineering/materials testing and storm water pollution prevention for Towne Lake Greene, Sections 1 and 2; (5) construction and materials testing for Towne Lake Greene Detention; (6) construction, engineering and materials testing for Towne Lake Greene Lift Station; (7) construction, engineering/materials testing and storm water pollution prevention for College Park West, Sections 2 and 3, Left Station and Off-Site Water to serve CPW; (8) construction, engineering/materials testing and storm water pollution prevention for Canyon Lakes West, Sections 8, 9, 10, and 11; (9) construction, engineering/materials testing and storm water pollution prevention for Mirabella Overall, West and Mirabella Drive, West and Mirabella Drive Detention, Mirabella

Drainage Improvement, Phases 1 and 2, Mirabella Drive Extension, Mirabella Sections One, Two, and Three; (10) construction, engineering, and material testing for Towne Lake Greene, Section 2 Lift Station Site; (11) construction, engineering, and material testing for College Park West, Sections 2A, 2B (drainage and utility purposes, and lift station site; (12) purchase of Langham Creek Phase Two; (13) engineering fees; (14) land costs; and (15) legal fees, fiscal agent fees, and other bond anticipation note issuance costs.

Mr. Eustis reviewed bids received for the purchase of the Bond Anticipation Note and recommended that the District award the sale to Regions Bank at an interest rate of 1.000%. Mr. Eustis reported that the closing will occur on November 25, 2014. After review and discussion, Director Molina moved to adopt a Resolution Authorizing the Issuance of the Bond Anticipation Note and Approve the Issuance of the District's \$16,564,100 Bond Anticipation Note, Series 2014 to Regions Bank at 1.000%, authorize the Board of Directors to sign all documents relating to the Bond Anticipation Note and authorize the District's attorney and financial advisor to take all necessary action to deliver the Bond Anticipation Note to the Purchaser. Director Maddox seconded the motion, which passed by unanimous vote.

Ms. Holoubek next presented the Purchaser's Investment and Bid Letter. After review and discussion, Director Molina moved to authorize the President and Secretary to sign the Purchaser's Investment and Bid Letter. Director Maddox seconded the motion, which passed by unanimous vote.

Ms. Holoubek presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate"). After review and discussion, Molina moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Maddox seconded the motion, which passed by unanimous vote

Ms. Greenwood reviewed a draft of a developer reimbursement audit setting forth the amounts to be reimbursed to Beazer Homes Texas, Inc., CLW 4&5 Associates, Chesmar Homes, Ltd., DR Horton-Texas, Ltd., Lennar Homes of Texas Land and Construction, Ltd., MREC LT Sterling Canyon, Ltd. and/or their lienholders and assignees from the proceeds of the Bond Anticipation Note. After review and discussion, Director Molina moved to approve the developer reimbursement report and authorize developer reimbursement subject to receipt of a signed receipt by the developer receiving funds and subject to final review by ABHR. Director Maddox seconded the motion, which carried unanimously.

GARBAGE PROPOSALS

The Board next considered proposals for garbage service and concurred to keep the current garbage pick up schedule and purchase 96 gallon carts. Following review and discussion, Director Molina moved to terminate the District's current contract and accept option 2 from WCA effective February 1, 2015. Director Maddox seconded the motion, which passed unanimously.

There being no additional business to consider, the meeting was adjourned.



Secretary, Board of Directors

