

**MINUTES OF REGULAR MEETING  
OF  
WINDFERN FOREST UTILITY DISTRICT**

December 16, 2003

The Board of Directors of Windfern Forest Utility District of Harris County, Texas, convened in regular session, open to the public, at the regular meeting place thereof, on December 16, 2003, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Eddie H. Mendel, Jr.	President
J. Patrick Going	Vice President
Vacant	Secretary/Treasurer
Kurt Schoelman	Assistant Vice President
Shari B. North	Assistant Secretary/Treasurer

and all of said persons were present, thus constituting a quorum.

Also present were Darlene Brown of Progressive Data Management; John Brock of AquaServices, LP; Louise Williams of Wheeler & Associates, Inc.; Mark Swanson of Carter and Burgess, Inc.; and Tom Sage and Marilyn Roberts of Vinson & Elkins L.L.P.

**APPROVE MINUTES**

The Board considered the minutes of its November 18, 2003, meeting. Following discussion, Director Schoelman made a motion to approve the minutes of the November 18, 2003, meeting with a revision to reflect Director Mendel's absence. The motion was seconded by Director Going and carried by unanimous vote.

**DISCUSS APPOINTMENT OF NEW DIRECTOR, REORGANIZE BOARD OF DIRECTORS AND AUTHORIZE FILING OF DISTRICT REGISTRATION FORM**

The Board discussed appointing a new director to replace the vacancy on the Board as a result of Leonard Wideman's move from the District. Mr. Sage reported that Terri Schoener has expressed an interest in serving on the Board and Director Mendel stated that Louis Gonzales has also expressed an interest in serving on the Board on an interim basis. Director Mendel stated that three director positions are expiring in May, 2004, and proposed that the District fill the vacancy at the time of the annual directors election. Following discussion, the Board agreed not to fill the vacancy at this time.

**BOOKKEEPER'S REPORT**

Ms. Brown presented the monthly bookkeeper's report, a copy of which is attached, and submitted bills for payment. She also presented the monthly investment report, a copy of which is also attached as an exhibit to these minutes. Ms. Brown then recommended that funds released from

escrow for expenses relating to the District Administration Building be placed in the District's TexPool Account and the Board concurred with the recommendation.

Following discussion, a motion was made by Director North to approve the bookkeeper's report and pay the bills. The motion was seconded by Director Mendel and passed unanimously.

**TAX ASSESSOR/COLLECTOR'S REPORT, INCLUDING REPORT ON DELINQUENT TAXES, AND APPROVE PAYMENT OF BILLS FROM TAX ACCOUNT**

The Board reviewed the tax assessor/collector's report, a copy of which is attached. Ms. Williams noted that 3.88% the District's 2003 taxes and 99.40% of the 2002 taxes were collected through November 30, 2003.

The Board next reviewed the delinquent tax rolls. Following discussion, a motion was made by Director Going and seconded by Director North to approve the tax assessor/collector's report. The motion carried by unanimous vote.

**DELINQUENT TAX ATTORNEY'S REPORT**

The Board did not hear a report from the delinquent tax attorney on the status of the District's delinquent tax accounts.

**OPERATOR'S REPORT**

The Board reviewed the monthly operator's report for November, a copy of which is attached as an exhibit to these minutes. Mr. Brock reported that the District's water accountability for the one-month period ending November 30, 2003, was 91.1% and the four-month accountability average was 91.8%. Mr. Brock informed the Board of one violation to the wastewater treatment permit and reported that the excursion had been reported to the Texas Commission on Environmental Quality ("TCEQ"), as required by law. He added that six months remain on the wastewater treatment permit. He also informed the Board that Rolling Fork Utility District had not received water from the District via the interconnect during the previous month.

Mr. Brock next reviewed the delinquent customer list with the Board. He then discussed procedures for invoicing taps and customer service inspections in connection with construction of the District Administration Building. Following discussion, the Board concurred that the operator should bill the District directly for taps and customer service inspections in connection with the District Administration Building. The Board requested that the District's engineer contact R. D. Weiler & Associates regarding sewer inspections, as those inspections are possibly included in the architect's contract.

Mr. Brock reported on new rules of the TCEQ effective January 1, 2004. He stated that chlorine disinfectant levels must be monitored daily, must be less than four mcl's, and the report must be provided to the TCEQ on a quarterly basis. Mr. Brock added that the new rules also require that the District provide a monitoring plan to the TCEQ indicating sampling locations within the

District's water system. He then discussed an additional requirement which requires reporting of chlorine disinfectant by-product monitoring.

Mr. Brock reported on repairs to manholes which required removal and replacement of portions of sidewalks in the District. Following discussion, Director Mendel made a motion to approve the operator's report. The motion was seconded by Director Schoelman and carried by unanimous vote.

### **CONDUCT HEARING ON TERMINATION OF SERVICE TO DELINQUENT WATER AND SEWER ACCOUNTS**

The Board conducted a hearing on termination of water service to delinquent accounts. Mr. Brock presented the list of delinquent accounts to the Board of Directors. He reported that the residents appearing on the termination list were given proper notice and advised of the opportunity to be heard in order to explain, contest or correct the utility service bill and show reason why utility service should not be terminated for reason of nonpayment, all as required by the District's Rate Order. After discussion, Director Mendel moved that, because no one was present at the Board meeting or had presented any written statement, service be terminated to all residents on the termination list. The motion was seconded by Director Schoelman and passed unanimously. A copy of the termination list is attached as an exhibit to these minutes.

### **CONSIDER AMENDMENT OF EXHIBIT "A" TO OPERATIONS CONTRACT**

Mr. Brock reviewed proposed fee changes to Exhibit "A" of the Operators Contract. Following discussion, a motion was made by Director Mendel and seconded by Director Schoelman to approve amending Exhibit "A" to the Operator's Contract to reflect changes in operations fees. The motion carried by unanimous vote. A copy of Exhibit "A" to the Operator's Contract is attached to these minutes.

### **ADOPT AMENDED RATE ORDER**

The Board next considered adopting an Amended Rate Order to incorporate Exhibit "A" as revised to reflect approved operator's fees and new rules of the TCEQ as previously discussed. Following discussion, a motion was made by Director Mendel to adopt an Amended Rate Order to reflect revisions as discussed. The motion was seconded by Director Going and carried by unanimous vote. A copy of the Amended Rate Order, as adopted, is attached and considered a part of these minutes. .

### **ENGINEER'S REPORT**

Mr. Swanson presented the engineer's report, a copy of which is attached.

Mr. Swanson reported that the TCEQ had not yet requested a re-inspection of underground utilities to serve Stoneyway Village.

Mr. Swanson reported that the CVS Pharmacy project has been completed and the pharmacy is open for business.

Mr. Swanson reported that the Citgo Mart at the intersection of Windfern Road and Berger Lane is receiving utility service from an adjacent utility district.

Mr. Swanson reported that the engineer's comments on the preliminary plans for the Mauna Loa Gardens, Section Two project were submitted to the appropriate governmental agencies prior to the District's November, 2003, meeting, however, he has heard nothing further in this regard.

Mr. Swanson reported that Tara Associates made a written request for a commitment from the District for underground utilities to serve a 3.08-acre tract of land located at the southwest corner of Philippine and Gessner. He stated that the developer has requested four single-family equivalent connections to serve an Eckerd's pharmacy.

Mr. Swanson next presented Pay Application No. 1 in the amount of \$11,622.89 to Four Seasons Development Co., Inc. for the District Administration Building. He then presented Change Order No. 1 in the amount of \$1,150.00 to replace two 14-inch Catch Basins with two Type "A" Inlets. Discussion followed regarding drainage from the playground to the parking lot and Mr. Swanson advised that the drainage was provided for in the final bid document. Following discussion, a motion was made by Director Mendel and seconded by Director Schoelman to approve Pay Estimate No. 1 in the amount of \$11,622.89 to Four Seasons Development Co., Inc. and Change Order No. 1 in connection with construction of the District Administration Building.

Following discussion, a motion was made by Director Mendel to accept the engineer's report. The motion was seconded by Director Going and carried by unanimous vote.

#### **REPORT ON WHITE OAK BAYOU JOINT POWERS BOARD MEETING**

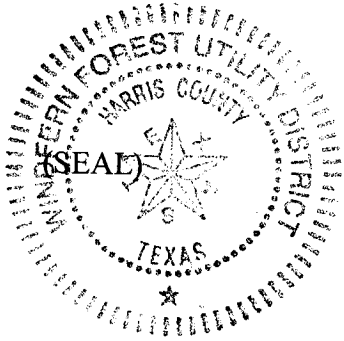
Mr. Mendel reported on the November 25, 2003, meeting of the White Oak Bayou Joint Powers Board.

#### **DEVELOPER'S REPORT AND AUTHORIZE ANY NECESSARY ACTION**

The Board did not receive any reports from the District's developers.

**OTHER MATTERS**

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



*Shari B. North*  
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Secretary, Board of Directors