

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

January 17, 2012

The Board of Directors of Windfern Forest Utility District of Harris County, Texas, met in regular session, open to the public, at a regular meeting place inside the boundaries of the District, at the Windfern Forest Utility District Administration Building ("DAB"), 14410 Mauna Loa Drive, Houston, Texas, on January 17, 2012, and the roll was called of the duly constituted officers and members of the Board, to wit:

Eddie Mendel	President
Don Farrell	Vice President
Kurt Schoelman	Secretary/Treasurer
Shari North	Assistant Secretary
Pat Going	Director

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

Also present were Teri Schoener of Southwest Water Company; Diane Fingleman of McLennan & Associates; David Dybala, Jr. of Jacobs Engineering Group, Inc.; Cindy Englebert of Wheeler & Associates; Deputy Coleman of Harris County Constable's Office, Precinct 4; and Clark Lord and Athea Davis of Vinson & Elkins L.L.P.; Liz Carreño, resident of Woodwind Lakes, Section 4 and Executive Director of K9's for Cops; and Brian Desilets of Deep Waters Bookkeeping, LLC.

APPEARANCES BEFORE THE BOARD

There were no public comments.

APPROVE MINUTES

The Board reviewed the minutes December 20, 2011 and the special meeting minutes of August 9, 2011. Following discussion, upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the minutes of December 20, 2011, and the special meeting minutes of August 9, 2011.

SECURITY REPORT

Deputy Coleman reported on security matters within the District for the month of December 2011.

BOOKKEEPER'S REPORT, APPROVE PAYMENT OF BILLS AND REVIEW INVESTMENT OF DISTRICT FUNDS

Ms. Fingleman presented the bookkeeper's report, a copy of which is attached to these minutes, for the period December 21, 2011-January 17, 2012, a copy of which is attached. She reviewed the checks presented for payment, the District's investments, and the budget.

Following discussion, upon a motion made by Director North and seconded by Director Going, the Board voted unanimously to approve the bookkeeper's report, payment of the bills, and investments of the District's funds.

TAX ASSESSOR/COLLECTOR'S REPORT AND APPROVE PAYMENT OF BILLS

Ms. Engelbert next presented the tax assessor/collector's report for the month of December, a copy of which is attached. She reviewed the report, stating that as of December 2011, the District's 2011 taxes are 37.53% collected and the 2010 taxes are 99.47% collected. Ms. Englebert also presented Checks No. 2236-2242 for payment. The Board also discussed holding a special meeting on February 7, 2012 to review the District's contract with Wheeler & Associates, including past and present billing procedures and practices.

Following discussion on the tax assessor/collector's report, upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the tax assessor/collector's report.

DELINQUENT TAX ATTORNEY'S REPORT

The Board reviewed the District's delinquent tax attorney's report, a copy of which is attached, regarding the status of collection of the District's delinquent taxes. Following discussion, no action was taken by the Board in this regard.

OPERATOR'S REPORT

Ms. Schoener presented the operator's report for December 2011, a copy of which is attached to these minutes. She reported that two new taps were installed.

Ms. Schoener then reviewed a joint water production and accountability report with the Board and reported that water accountability for the prior month remains unusually high, with the prior month's accountability at 105.6% and a 4-month accountability average of 112.9%. She reported that she is still checking on the high accountability issue. Ms. Schoener next discussed the over conversion credit matter noting that another representative of Southwest Water Company will be in attendance at next month's meeting to discuss the conversion credit matter in more detail.

Ms. Schoener next reviewed the water flow and pumpage reports at White Oak Bayou and Windfern Forest Lift Station.

Ms. Schoener next reviewed the list of delinquent utility customers and stated there were no appeals from residents.

Following discussion on the operator's report, upon a motion made by Director Schoelman and seconded by Director Farrell, the Board voted unanimously to approve the operator's report.

CONDUCT HEARING ON TERMINATION OF WATER SERVICE TO DELINQUENT WATER AND SEWER ACCOUNTS AND AUTHORIZE APPROPRIATE ACTION

The Board next considered termination of utility service to customers with delinquent accounts. Ms. Schoener reported that the residents appearing on the termination list were given proper notice and 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. Following discussion, upon a motion was made by Director Schoelman and seconded by Director North, the Board voted unanimously to terminate utility service to customers with delinquent accounts.

ENGINEER'S REPORT

The Board next reviewed the engineer's report, a copy of which is attached, including the following matters:

Status of Water Transmission Line to Water Plant No. 2 Design, Easements, and Exxon Property Environmental Assessment and Easements

Mr. Dybala reported that he is working on receiving approvals for this project from easement grantors, pipeline companies, and review agencies. He requested authorization from the Board to advertise the project for bids once all approvals are received.

Response from TCEQ for Exception to Well Capacity Requirement and Elevated Storage Tank Waiver Application

Mr. Dybala next reported that this project is on hold until completion of the proposed 12-inch water transmission line and Water Well No. 3 projects.

Proposal for Design of Water Well No. 3 at Water Plant No. 1

Mr. Dybala next discussed the implementation of a sanitary control ordinance or land use restriction in lieu of the recorded sanitary control easements needed for construction of a new Water Well No. 3.

New Ariel Map of the District

Mr. Dybala reported that Jacobs anticipates receiving a new 2012 aerial map of the Houston area in March from the Landisor Company. He next stated that an 11x17 exhibit will be prepared showing the new aerial of the District with boundary line, and presented to the Board along with a cost estimate for an 8'x5' color exhibit at next month's meeting.

Following discussion on the engineer's report, a motion was made by Director Farrell and seconded by Director Going to approve the engineer's report, including authorizing the engineer to advertise for bids once all approvals are received for the transmission line project.

ATTORNEY'S REPORT

Management Agreement with Sterling Association Services, Inc. for maintenance costs associated with Woodwind Lakes Section 4 Lake and surrounding areas

The Board discussed the maintenance costs associated with Woodwind Lakes Section 4 Lake and the District's past voluntary contribution of \$2,500 for maintenance expenses. Ms. Carreño requested that the Board work with the area home owner's association ("HOA") to establish a working relationship between the District and the HOA, and she further requested an agreement between the District and the HOA that establishes the relationship and obligation of each party in connection with the maintenance of the lake. Following discussion the Board concurred to cease the voluntary contribution of \$2,500 for maintenance costs associated with the lake and reported that they will research the ownership of the lake property.

Resolution Adopting Odd-Numbered Year Directors Election Date

Mr. Lord presented the Resolution Adopting Odd-Numbered Year Election Date to the Board for review and approval, a copy of which is attached to these minutes. Mr. Lord discussed the recent changes in the election laws, noting that Senate Bill 100 allowed political subdivisions to change its even-numbered election dates to odd-numbered years so that they could access County election services and equipment.

Following discussion, upon a motion made by Director Farrell and seconded by Director North, the Board voted unanimously to approve the Resolution Adopting Odd-Numbered Year Election Date and voted to extend the directors' terms by one year.

Assignment of legal services

Mr. Lord next reminded the Board that he reported at last month's meeting that the public finance section at Vinson & Elkins LLP is moving to Bracewell & Giuliani and discussed the transition process. He asked the Board to ratify the actions taken at the December meeting. Following discussion, upon a motion made by Director Going and seconded by Director Schoelman, the Board voted unanimously to ratify the following actions taken at the December meeting: to authorize i) Bracewell & Giuliani to begin to represent the District once Mr. Lord joins Bracewell & Giuliani on the same terms and conditions as the engagement of Vinson & Elkins; ii) the transfer of files as necessary; and iii) to continue its engagement with Vinson & Elkins until the transition process is complete.

REPORT OF DAB OFFICE MANAGER

The Board briefly discussed the report submitted by Carole Lueb. She stated in the report that she is going to have another phone line installed dedicated to the fire alarm only. Director

Going next noted he forward an e-mail to Ms. Davis about a resident inquiring about the District's next directors election, and Ms. Davis indicated that she responded to the e-mail.

REPORT ON MATTERS DISCUSSED AT THE MEETING OF THE WHITE OAK BAYOU
JOINT POWERS BOARD

Director Mendel reviewed minutes of the December 27, 2011, meeting of the White Oak Bayou Joint Powers Board.

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

[Signature page follows]



Secretary, Board of Directors

ATTACHMENTS

Bookkeeper's Report	2
Tax Assessor/Collector's Report.....	2
Delinquent Tax Attorney's Report.....	2
Operator's Report.....	2
Engineer's Report.....	3
Resolution Adopting Odd-Numbered Year Election Date.....	4