

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

February 7, 2012

The Board of Directors of Windfern Forest Utility District of Harris County, Texas, met in special 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 February 7, 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 Clark Lord and Athea Davis of Vinson & Elkins L.L.P.; Mark Roth, auditor; Cathy Wheeler, Barbara Wheeler, and Cindy Englebert of Wheeler & Associates; and Brian Desilets of Deep Waters Bookkeeping, LLC.

**REVIEW CONTRACT WITH WHEELER & ASSOCIATES, INCLUDING PAST AND PRESENT BILLING PROCEDURES AND PRACTICES**

Ms. Cathy Wheeler discussed clerical errors that were found in the District's recent bills and noted that the errors were being corrected, and that the District would receive a refund for any overcharges. She further stated that these billing errors were clerical in nature and that no malice or fraud was involved. Ms. Wheeler further explained that she and Barbara Wheeler were dealing with several family illnesses during the time the errors occurred and that they also entrusted a prior employee with billing while they were out of the office. Ms. Wheeler further explained the nature of the relationship with the prior employee and the nature of their job while she and Barbara were out of the office. Ms. Wheeler also reported that they hired Mr. Desilets to help them with internal auditing matters regarding the overcharging issue and stated that the District will not be responsible for any of the auditing fees regarding this matter.

The Board asked Ms. Wheeler several questions about the checks and balances system in place at the time and also requested to see invoices for 6 months prior to October 2010. Following extensive discussion of this matter, the Board further requested that Wheeler & Associates send the Board a revised contract with options for all inclusive and fixed fee amounts. Following discussion, the Board did not take any action.

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

  
Secretary, Board of Directors

(SEAL)