

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

April 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 April 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; Carol Laub, Property Manager for the Administration Building; Karla Efigenio of McLennan & Associates; Vernon Webb of Jacobs Engineering Group, Inc.; Cindy Englebort of Wheeler of Wheeler & Associates; Brian Desilets of Deep Waters Bookkeeping, LLC; Karen Sears of Acclaim Energy Advisors; Deputy Coleman of the Harris County Constable’s Office, Precinct 4; Clark Lord of Bracewell & Giuliani LLP; Athea Davis of Vinson & Elkins L.L.P.; and Mary Wright, a resident of the District.

APPEARANCES BEFORE THE BOARD

Ms. Wright addressed the Board regarding drainage issues on her property. Mr. Webb stated that he would investigate the matter.

APPROVE MINUTES

The Board reviewed the minutes of the March 20, 2012 meeting. Following discussion, upon a motion made by Director Schoelman and seconded by Director Farrell, the Board voted unanimously to approve the minutes of March 20, 2012.

SECURITY REPORT

Deputy Coleman reported on security matters within the District for the month of March 2012.

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

Ms. Efigenio presented the bookkeeper's report, a copy of which is attached to these minutes, for the period March 21, 2012 – April 17, 2012. Ms. Efigenio next reviewed the checks presented for payment and the District's investments. She also presented the budget comparison of actual versus budgeted revenues and expenses for the four (4) month period ended January 31, 2012. The Board then discussed reconciliation issues related to the backup of the cash summary reflected on the bookkeeper's report.

Following discussion on the bookkeeper's report, upon a motion made by Director Schoelman and seconded by Director North, the Board voted unanimously to approve the bookkeeper's report, payment of the bills and investment 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 March, a copy of which is attached. She reviewed the report, stating that as of March 2012, the District's 2011 taxes are 97.25% collected and the 2010 taxes are 99.57% collected. Ms. Englebert also presented checks nos. 2260-2264 for payment, and a wire transfer in the amount of \$35,000.

The Board next discussed the possible amendment to the tax assessor/collector's contract, but concurred to table this item for the month. The Board requested that the tax assessor/collector provide a cost comparison of the current contract to the amended contract for review at the May Board meeting.

Following discussion on the tax assessor/collector's report, upon a motion made by Director North and seconded by Director Going, 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 March 2012, a copy of which is attached to these minutes.

Ms. Schoener then reviewed a joint water production and accountability report with the Board and reported that water accountability was 98.6% for the month.

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 Farrell and seconded by Director North, 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 Farrell 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. Webb presented the contracts between the District and James Construction Group, LLC for the water transmission line to Water Plant No. 2 for execution by the Board. Mr. Lord stated that review of the contracts and insurance requirements was still ongoing. After discussion, the Board deferred execution of the contracts pending final review of same by the District's attorney.

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

Mr. Webb 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. Webb next discussed the anticipated schedule for the installation of the well.

New Aerial Map of the District

Mr. Webb reported that he is in the process of acquiring the new 2012 aerial map of the Houston area from the Landiscor mapping company. He noted that once he receives the map, he will prepare an 11 x 17 exhibit showing the new aerial of the District for the Board's review and approval.

Following discussion of the engineer's report, upon a motion made by Director Going and seconded by Director North, the Board voted unanimously to approve the engineer's report.

## ATTORNEY'S REPORT

Mr. Lord presented a Resolution Authorizing Application to the Texas Commission on Environmental Quality (the "Commission") for the Release of Funds from Escrow requesting release of \$1,265,000 from the District's Series 2011 Bonds for construction of water well no. 3 at water plant no. 1. Following discussion, Director Farrell moved that the Board adopt the Resolution as presented. Director Schoelman seconded the motion and it carried by unanimous vote. The Resolution, thus adopted, is attached hereto and made a part hereof these minutes.

## REPORT OF DAB OFFICE MANAGER

Ms. Laub informed the Board of repairs that were made at the District's Administration Building (the "Building") during the month. She also reported on an issue with the security deposits for use of the Building and requested that the Board consider amending the District's agreement for use of the Building.

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

Director Mendel discussed the minutes of the March 27, 2012 meeting. The Board discussed a biomonitoring issue that had occurred at the White Oak Bayou Plant.

## PRESENTATION FROM ACCLAIM ENERGY PROVIDERS

Ms. Sears distributed a presentation regarding the prevention of Rolling Blackouts. She stated that the requirements for participation are (i) a commitment to participate from June 1 through September 30; (ii) installation of an IDR meter; (iii) an agreement to curtail electric consumption on 30 minutes' notice; (iv) an agreement to participate in a scheduled test and (v) a commitment to curtail energy usage. Ms. Sears stated that past experience has demonstrated that the typical time period for curtailing the usage is two (2) hours. The Board expressed an interest in participating in the program. Ms. Sears stated that she would prepare an analysis projecting the cost savings to the District.

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



Secretary, Board of Directors

(SEAL)

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