

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

May 15, 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 March 20, 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; Karla Efigenio of McLennan & Associates; Vernon Webb of Jacobs Engineering Group, Inc.; Cindy Englebert of Wheeler & Associates; Deputy Coleman of Harris County Constable's Office, Precinct 4; Clark Lord and Debbie Russell of Bracewell & Giuliani LLP; and Arie Vernes, a resident of the District.

APPEARANCES BEFORE THE BOARD

Mr. Vernes first questioned the Board regarding one of the potential contaminants reported on the Consumer Confidence Report. Ms. Schoener explained the testing and reporting process applicable to such Report.

Mr. Vernes next requested that the Board consider proceeding with earlier plans to develop a trail in the District. The Board explained that there are several new requirements that will result in the expenditure of District funds and that because of the uncertainty of the costs involved, the plans for the trail had been postponed. Mr. Vernes requested copies of the proposals that had previously been solicited by the District in connection with same. The Board requested that the District's attorney make available such plans to Mr. Vernes.

APPROVE MINUTES

The Board reviewed the minutes of April 17, 2012. Following discussion, upon a motion made by Director Farrell and seconded by Director Schoelman, the Board voted unanimously to approve the minutes of April 17, 2012.

SECURITY REPORT

Deputy Coleman reported on security matters within the District for the month of April 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 April 18, 2012 – May 15, 2012. She next reviewed the checks presented for payment, the District's investments and a comparison of actual versus budgeted revenues and expenses for the period ending April 30, 2012.

Following discussion on the bookkeeper's report, upon a motion made by Director Schoelman and seconded by Director Farrell, 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 April, a copy of which is attached. She reviewed the report, stating that as of April 2012, the District's 2011 taxes are 97.54% collected and the 2010 taxes are 99.57% collected. Ms. Englebert also presented checks nos. 2265-2269 for payment.

The Board next discussed the amendment to the tax assessor/collector's contract. Following discussion, the Board concurred to table this item.

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 and payment of the tax bills.

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 April 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 for the prior month was 96.3%.

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

The Board next discussed giving the 30 days' notice required by the contract with the District's operator to terminate same. Mr. Lord recommended that the Board delay the termination until a new operator is engaged by the Board and requested that the Board authorize the preparation of a request for proposal in connection with same. The Board then discussed the possibility of working with nearby districts to consider engaging the same operating company. Director Mendel stated that he would contact the president for Harris County Municipal Utility District No. 261 to schedule a joint meeting to hear proposals on June 12, 2012. After further discussion, Director Farrell moved that the Board authorize the District's attorney to prepare the request for proposals from operating companies and to hold a special meeting on June 12, 2012, to consider same. Director North seconded the motion and it carried unanimously.

Following discussion on the operator's report, upon a motion made by Director Farrell and seconded by Director Schoelman, 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 Schoelman, the Board voted unanimously to terminate utility service to customers with delinquent accounts.

APPROVE THE CONSUMER CONFIDENCE REPORT

Ms. Schoener presented the draft Consumer Confidence Report (the "CCR"), a copy of which is attached to these minutes for the Board's review and stated that it would be mailed on July 1, 2012. After discussion and upon a motion made by Director Farrell and seconded by Director Schoelman, the Board voted unanimously to approve the CCR, subject to final review by legal.

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 reported that the project is currently under construction and estimated that it would be complete by October 2012.

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 anticipates receiving the new 2012 aerial map of the Houston area by June from the Landiscor mapping company. He noted that once he receives the map, he will prepare a new aerial of the District for the Board's review and approval.

Mr. Webb then reported that he had verified that the generator at the water plant can run all of the equipment in the event of an emergency.

Mr. Webb stated that he had pulled the plans for 14415 Windy Trails Drive to confirm that the lot was designed to drain towards the street.

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

ATTORNEY'S REPORT

Mr. Lord stated that the District Administration/Activities Building Project Contract (the "Contract") had been revised to allow for deposit twelve months in advance of the event. After discussion, Director Going moved that the Board approve the amendment to the Contract, is attached to these minutes. Director North seconded the motion and it carried unanimously.

The Board next discussed renewal of the District's insurance and upon a motion made by Director Schoelman and seconded by Director Farrell, the Board voted unanimously to authorize the District's attorney to obtain a proposal for same from High Point Insurance.

REPORT OF DAB OFFICE MANAGER

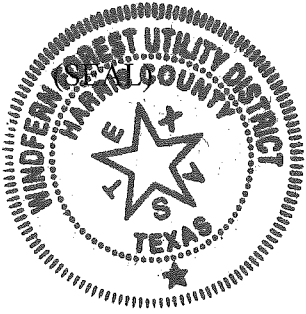
There was no office manager report.

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

Director Mendel discussed the minutes of the April 24, 2012 meeting.

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

K. E. Beck
Secretary, Board of Directors



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