

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

June 19, 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 June 19, 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 except Director North, thus constituting a quorum.

Also present were Teri Schoener of Southwest Water Company; Karla Efigenio of McLennan & Associates; Missy Steadman of TOPS; Vernon Webb of Jacobs Engineering Group, Inc.; Cindy Englebert of Wheeler & Associates; Deputy Coleman of Harris County Constable's Office, Precinct 4; Carol Lueb, the administrator for the DAB; and Clark Lord and Debbie Russell of Bracewell & Giuliani LLP.

APPEARANCES BEFORE THE BOARD

There were no appearance before the Board.

APPROVE MINUTES

The Board reviewed the minutes of May 15, 2012. Following discussion, upon a motion made by Director Shoelman and seconded by Director Going, the Board voted unanimously to approve the minutes of May 15, 2012.

SECURITY REPORT

Deputy Coleman reported on security matters within the District for the month of May 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 May 16, 2012 – June 19, 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 May 31, 2012.

Following discussion on the bookkeeper's report, upon a motion made by Director Farrell and seconded by Director Schoelman, the Board voted unanimously to approve the bookkeeper's report, payment of the bills and investment of the District's funds.

OPERATOR'S REPORT

Ms. Schoener presented the operator's report for May 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 104.9%. She stated that efforts are underway to try and correct the problem with the calculation.

Ms. Schoener next reviewed the list of delinquent utility customers and stated there were no appeals from residents. She noted, however, that the Board should consider not terminating service this month because of the transition to the new operating company.

Ms. Schoener reported that SouthWest Water will conduct the final billing for the District and turn over operations to TOPS on July 2, 2012.

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, but took no action on the matter due to the transition to the new operating service.

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

Ms. Engelbert next presented the tax assessor/collector's report for the month of May, a copy of which is attached. She reviewed the report, stating that as of May 2012, the District's 2011 taxes are 98.18% collected and the 2010 taxes are 99.65% collected. Ms. Englebert also presented checks nos. 2270-2277 for payment.

Ms. Engelbert reported the preliminary value for the District is \$265,583,505.

The Board next discussed the amendment to the tax assessor/collector's contract. Following discussion, the Board asked that this item be removed from the agenda.

Following discussion on the tax assessor/collector's report, upon a motion made by Director Schoelman and seconded by Director Farrell, 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.

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. He then presented Invoice No. 1 in the amount of \$1,103.75 from HTS for materials testing and recommended payment of same.

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 reported that the design for the installation of the well have been submitted to all agencies for approval. He stated that he expects to advertise for bids for the project in July.

New Aerial Map of the District

Mr. Webb reported that he anticipates receiving the new 2012 aerial map of the Houston area by July 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.

Following discussion of the engineer's report, upon a motion made by Director Going and seconded by Director Farrell, the Board voted unanimously to approve the engineer's report and approve payment of Invoice No. 1 to HTS based on the recommendation of the District's engineer.

ATTORNEY'S REPORT

Approve Proposals for Insurance Coverage

The Board reviewed insurance renewal proposals for the District's coverage for the period effective July 31, 2012. Following discussion, a motion was made by Director Farrell and seconded by Director Schoelman to approve insurance renewal proposals submitted by The

Highpoint Group in the total premium amount of \$18,708.00 for the policy period effective July 31, 2012. The motion passed unanimously.

CONTRACT FOR OPERATING SERVICES

The Board next discussed the contract for operating services. Ms. Steadman confirmed that TOPS would honor the proposal presented at the June 12, 2012, meeting even though two of the districts in the area chose other operating companies. Ms. Steadman reported on matters relating to the transition from the current operator to TOPS. After further discussion, Director Farrell moved that the Board approve the contract to engage TOPS subject to final review by legal counsel. Director Schoelman seconded the motion and it carried by unanimous vote.


REPORT OF DAB OFFICE MANAGER

Ms. Laeb presented a proposal from Dempsey Electric for replacement of the ceiling fans in the Administration Building. She stated that she would request another proposal, but requested authorization to accept the current proposal if the costs of the two proposals were similar. Ms. Laeb also reported that the trash collection workers had confirmed that they would collect from the 65 gallon bins. She then reported that someone had stolen the drainage grate from the parking lot. Ms. Steadman stated that she would obtain a replacement. After discussion, Director Schoelman moved that the Board approve the proposal for replacement of the ceiling fans as presented. Director Farrell seconded the motion and it carried unanimously.

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

Director Mendel discussed the minutes of the May 22, 2012 meeting.

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


Secretary, Board of Directors

(SEAL)

ATTACHMENTS

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