

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

February 19, 2013

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 February 19, 2013, 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 Karla Efigenio of McLennan & Associates; Teri Schoener of TOPS; David Dybala of Jacobs Engineering Group, Inc.; Cindy Englebert of Wheeler & Associates; Sergeant Blackledge and Deputy Jennifer McCants of Harris County Constable's Office, Precinct 4; Carol Lueb, administrator of the DAB; Brian Podraza of Ameri-Tex Construction ("Ameri-Tex"); and Clark Lord and Debbie Russell of Bracewell & Giuliani LLP.

APPEARANCES BEFORE THE BOARD

No one was present to address the Board.

APPROVE MINUTES

The Board reviewed the minutes of January 15, 2013. Following discussion, upon a motion made by Director Schoelman and seconded by Director Farrell, the Board voted unanimously to approve the minutes of January 15, 2013.

SECURITY REPORT

Deputy McCants reported on security matters within the District for the month of January 2013.

Security Services Contract

Ms. Russell presented the renewal of the agreement between the District and the Harris County Constables' Office for security services. She confirmed that there was no increase in the contract rate for 2013. After discussion, Director Farrell moved that the Board approve the renewal of the contract for security services as presented. Director Going seconded the motion and it carried by unanimous vote.

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 January 16, 2013 to February 19, 2013. 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 January 31, 2013.

Following discussion on the bookkeeper's report, upon a motion made by Director North 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 January, a copy of which is attached. She reviewed the report, stating that as of January 2013, the District's 2012 taxes are 95.52% collected and the 2011 taxes are 99.74% collected. Ms. Englebert also presented checks nos. 2321-2331 for payment.

Following discussion on the tax assessor/collector's report, upon a motion made by Director Farrell and seconded by Director North, 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. Ms. Engelbert informed the Board that Walter Paige has not filed an application for an over-65 deferral as he previously indicated that he would. She requested authorization for the operator to red-tag the property. Ms. Engelbert stated that when they contact her regarding the tag that she will assist in completion of the form for deferral. She also reported that John Currie had requested the over-65 authorization to pay his taxes in quarterly installments. After discussion, Director Farrell moved that the Board authorize the District's operator to red-tag the Paige property and authorize the quarterly installment payments for Mr. Currie. Director Going seconded the motion and it carried unanimously.

RESOLUTION CONCERNING TAX COLLECTION PROCEDURES

Mr. Lord presented a Resolution Concerning Tax Collection Procedures for the Board's review and approval. Following discussion, Director Going moved that the Board approve a Resolution Concerning Tax Collection Procedures, which rejects the following optional procedures: (1) refraining from sending a tax bill for less than \$15.00, (2) permitting the split payment of taxes, and (3) allowing discounts for the early payment of taxes. Director Schoelman seconded the motion, which passed unanimously. The Resolution, thus adopted, is attached to and considered a part of these minutes.

RESOLUTION CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION

Mr. Lord next presented a Resolution Concerning Exemption of Residence Homesteads from Taxation, which provides for the exemption from ad valorem taxation by the District of \$10,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older and which rejects a general homestead exemption and exemptions for charitable organizations. Following discussion, Director Going moved that the Board approve the Resolution Concerning Exemption of Residence Homesteads from Taxation. Director Schoelman seconded the motion, which carried unanimously. The Resolution, thus adopted, is attached to and considered a part of these minutes.

RESOLUTION PROVIDING FOR ADDITIONAL PENALTY FOR TAX COLLECTION COSTS

Mr. Lord then presented a Resolution Providing for Additional Penalty for Tax Collection Costs, which establishes a penalty of 20% on all taxes, penalty, and interest that remain unpaid as of July 1, 2013, for real property, and as of February 1, 2013, for tangible personal property, as authorized by the Texas Property Tax Code. Following discussion and upon a motion made by Director Going and seconded by Director Schoelman, the Board voted unanimously to approve the Resolution Providing for Additional Penalty for Tax Collection Costs. A copy of the Resolution, thus adopted, is attached to and considered a part of these minutes.

OPERATOR'S REPORT

Ms. Schoener presented the operator's report for January 2013, 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 94.8%.

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

Ms. Schoener reported on repairs and maintenance at District facilities. She stated that lift pump no. 1 at lift station no. 3 will require repairs within the next few months.

Following discussion on the operator's report, upon a motion made by Director Going 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, a motion was made by Director Going to terminate utility service to customers with delinquent accounts. Director North seconded the motion, which carried by unanimous vote.

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

Mr. Dybala reported that the project is currently under construction and estimated that it would be complete by the end of March 2013. He stated that the work remaining consists of installation of chemical equipment and analyzers at the water plant site, cleanup along the construction route and coordination with the City of Houston in connection with their acceptance of the project. Mr. Dybala noted that he would include the homeowners' association during the final walk-through of the project.

Mr. Dybala next presented pay estimate no. 7 in the amount of \$76,252.50 from James Construction Group ("JCG") and recommended same for payment.

After review and discussion, Director Going moved that the Board approve pay estimate no. 7 to JCG as presented. Director Farrell seconded the motion and it carried by unanimous vote.

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.

Water Well No. 3 at Water Plant No. 1

Mr. Dybala reported that the contractor has almost completed the drilling of the test hole in connection with the construction of Water Well No. 3. He then presented pay estimate no. 1 in the amount of \$224,136.90 from W.W. Payton Corporation and recommended same for payment.

After review and discussion, Director Going moved that the Board approve pay estimate no. 1 as presented. Director Farrell seconded the motion and it carried by unanimous vote.

ATTORNEY'S REPORT

Payment to Southwest Water Company

Mr. Lord stated that he is working with the District's operator to obtain the final invoice numbers for submittal to Southwest Water Company. The Board took no action on the matter.

Proposal for Law Enforcement Liability Policy

Mr. Lord informed the Board that the District's insurance agent recommends that the Board consider a policy for law enforcement liability. He stated that the policy would defend a suit against the District in the event of an injury or death caused by one of the constables that patrol the District. After discussion, Director Schoelman moved that the Board accept the proposal for law enforcement liability. Director North seconded the motion and it carried by unanimous vote.

Status of Application for Funds for a Hike and Bike Trail

Director Schoelman had nothing new to report in connection with the application for funds for a trail in the District.

Adopt Order Calling Directors' Election

Mr. Lord presented an Order Calling Directors' Election for the Board's review and approval. He stated that the election is scheduled for May 11, 2013, and that three positions are up for reelection. Following discussion, a motion was made by Director Farrell and seconded by Director Schoelman to adopt an Order Calling Directors' Election. The motion passed unanimously. A copy of the Order, thus adopted, is attached to and considered a part of these minutes.

Set Pay Rate for Election Officials

The Board next considered setting a pay rate for the election officials. Following discussion, the Board agreed to set a pay rate for election officials at \$8.50 per hour.

Approve Limited Service Agreement with Harris County

Mr. Lord stated that should an election be necessary, the District would have to contract with Harris County for election services. In connection with same, he presented a Limited Service Agreement with Harris County for the Board's approval. Mr. Lord stated that pursuant to the terms of the Limited Service Agreement, the District will contract for rental of electronic voting equipment for use during the election. A motion followed by Director Farrell, seconded by Director Schoelman, to approve a Limited Service Agreement with Harris County for rental of electronic voting equipment during the Directors Election. The motion carried by unanimous vote.

Voting Rights Act Letter to the U.S. Department of Justice

Mr. Lord stated that in the event of an election, the District will have to request preclearance from the U.S. Department of Justice ("Justice Department") for the change in election procedures and the multilingual election materials to add Chinese. Upon a motion made by Director Farrell and seconded by Director Schoelman, the Board voted unanimously to authorize the letter to the Justice Department.

BUILDING OFFICE MANAGER'S REPORT

Ms. Lueb presented a proposal from Ameri-Tex for improvements to the DAB. After discussion of the proposed repairs, the Board deferred action on the matter.

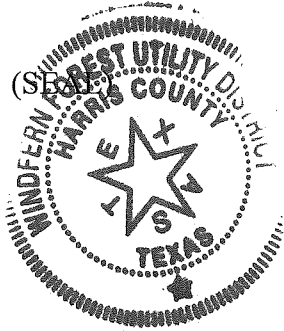
REPORT ON MATTERS DISCUSSED AT THE MEETING OF THE WHITE OAK BAYOU JOINT POWERS BOARD

The minutes of the January 22, 2013 meeting were distributed to the Board. Director Mendel reported that biomonitoring testing has been reduced from monthly to quarterly. He stated that the board is still working with Seimans for energy savings at the Plant.

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



Secretary, Board of Directors



ATTACHMENTS

bookkeeper's report2
tax assessor/collector's report for the month of January2
delinquent tax attorney's report2
Resolution Concerning Tax Collection Procedures.....2
Resolution Concerning Exemption of Residence Homesteads from Taxation,.....3
Resolution Providing for Additional Penalty for Tax Collection Costs3
operator's report for January 2013.....3
engineer's report4
Order Calling Directors' Election.....5