

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

August 20, 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 August 20, 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 Jude Wiggins of the Rolling Fork PUD ("Rolling Fork") Homeowners Association (the "HOA"); Karla Efigenio of McLennan & Associates; Teri Schoener of TOPS; David Dybala and Tojuana Cooper of Jacobs Engineering Group, Inc.; Cathy Wheeler of Wheeler & Associates; Sergeant Blackledge and Deputy Jennifer McCants of Harris County Constable's Office, Precinct 4; Carol Lueb, administrator of the DAB; and Clark Lord and Debbie Russell of Bracewell & Giuliani LLP.

APPEARANCES BEFORE THE BOARD

Ms. Wiggins addressed the Board regarding alleged damages made to the median in Rolling Fork by the District's contractor. She requested that the Board authorize reimbursement to the HOA for the cost of mulching and deep feeding the trees in the median that had allegedly suffered stress because of the work by the contractor. Ms. Wiggins distributed before and after pictures of the median for the Board's review. The Board deferred discussion on the matter until the engineer's report.

APPROVE MINUTES

The Board reviewed the minutes of July 16, 2013. Following discussion, upon a motion made by Director Schoelman and seconded by Director North, the Board voted unanimously to approve the minutes of July 16, 2013.

SECURITY REPORT

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

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 July 17, 2013 to August 20, 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 July 31, 2013.

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.

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

Ms. Wheeler next presented the tax assessor/collector's report for the month of July , a copy of which is attached. She reviewed the report, stating that as of July 2013, the District's 2012 taxes are 99.05% collected and the 2011 taxes are 99.86% collected. Ms. Wheeler also presented checks nos. 2372-2379 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. The Board discussed the delinquent account of Walter Paige. The Board questioned whether Mr. Paige still resides in the residence. Ms. Schoener checked the billing records for the address and confirmed that it is still in the name of Mr. Paige. Ms. Wheeler recommended that the Board consider filing suit against Mr. Paige. The Board requested that no action be taken for one additional month and agreed to reevaluate in September.

OPERATOR'S REPORT

Ms. Schoener presented the operator's report for July 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 95%.

Ms. Schoener reported on repairs and maintenance at District facilities.

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 and stated there were no appeals from residents.

Following discussion, a motion was made by Director Farrell to terminate utility service to customers with delinquent accounts. Director Schoelman 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 City of Houston (the "City") still needs to complete the inspection of the backflow prevention devices in connection with finalizing the 12-inch waterline along Fairbanks North Houston. He stated that that once the District receives final approval it will begin receiving water from the City at the water plant no. 2. Mr. Dybala reported that a decision was made to keep the interconnect with Harris County MUD 261 open so that only pressure prevents water from passing through same. He next presented pay estimate no. 10 in the amount of \$33,075.00 from James Construction Group ("JCG") and recommended same for payment.

Mr. Lord informed the Board that he was contacted by the City Attorney regarding the amount of water that the District has been unable to receive from the City because of the delays by the City in allowing completion of the line. He stated that the City wants an agreement with the District to define the amount of water that the District was unable to receive. Mr. Dybala stated that he would be able to ascertain the amount and would provide same to the attorney.

After review and discussion, Director Going moved that the Board approve pay estimate no. 10 to JCG as presented and authorize the District's attorney to negotiate with the City regarding the amount of water and an agreement regarding same. Director Farrell seconded the motion and it carried by unanimous vote.

The Board next discussed the claim from the HOA. Mr. Dybala stated that he had compared the before and after photographs and could not see a significant difference in the state of the median. He stated that there is a one-year warranty period on the contract and future damage that presents itself, if any, could be dealt with through the warranty. The Board concurred with the engineer that the median pictures looked almost identical and declined to take action on the request.

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 12-inch water transmission line and Water Well No. 3 projects.

Water Well No. 3 at Water Plant No. 1

Mr. Dybala reported on the status of construction of Water Well No. 3. He stated that the contractor anticipates completion of construction by the end of October, but noted that the completion date is dependent on the completion of the 12-inch water transmission line project. Mr. Dybala reported that the driveway that was constructed as a temporary measure will be left to serve as the permanent driveway. He requested that the Board consider approving a change order in the amount of \$16,240 that would allow for: (i) the addition of crushed concrete around the well and transformer, (ii) the addition of a two way swing gate which would assist with chlorine delivery and (iii) improvements to the Harris County ditch to prevent flooding during well testing. Mr. Dybala then presented pay estimate no. 7 in the amount of \$33,075 from W.W. Payton Corporation ("Payton") and recommended approval of same.

After review and discussion, Director Going moved that the Board approve the change order and pay estimate no. 7 as recommended by the District's engineer. Director Schoelman seconded the motion and it carried by unanimous vote.

Mr. Dybala next reported that the new pump is expected to be delivered by mid-September. He then reported on options for venting the methane gas that was found in the lab tests and stated that Guyton recommends venting with forced air. Mr. Dybala noted that the vent would be 25 feet in the air which would put the vent at the level of the second floor of nearby residences. He stated that his firm must prepare an analysis for the design of the vent for the ground storage tank and modifications to the disinfection system so that both wells can operate together at a cost not to exceed \$17,000.

After discussion, Director Going moved that the Board authorize the District's engineer to proceed with the design of the vent and modifications to the disinfection system as requested at a cost not to exceed \$17,000. Director Farrell seconded the motion and it carried unanimously.

ATTORNEY'S REPORT

Waterwise Program

Mr. Lord and Ms. Schoener updated the Board on the status of compliance with the requirements of the Subsidence District for participation in the Waterwise Program. Ms. Schoener stated that she had ordered the coloring books and inserted the Subsidence District's brochures in the water and sewer bills.

Status of Application for Funds for a Hike and Bike Trail

Director Schoelman stated that the District had received notification that the District's application for funds for a trail in the District had been declined.

BUILDING OFFICE MANAGER'S REPORT

Ms. Lueb stated that the painting was completed and the carpet installed in the administration building. She stated that marquis portion of the sign in front of the building will be replaced. Ms. Lueb reported that she had received a bid of \$72.00 to trim the trees around the building. After discussion, the Board authorized the tree trimming in accordance with the bid.

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

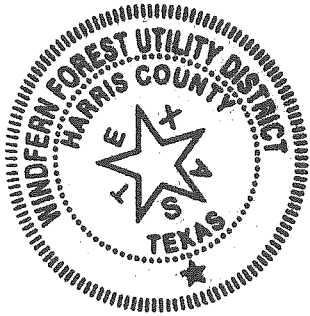
Director Mendel review the minutes of the July meeting. He stated that the board is waiting on Jersey Village to decide how it will finance the repairs to the Plant before taking any other action.

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



Secretary, Board of Directors

(SEAL)



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