

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

August 14, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on August 14, 2007, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

R.W. Kehlenbach, President
Dave Simac, Vice President
Janet E. Frakes, Secretary
Kenneth W. Heussner, Assistant Secretary
Derek D. Drawhorn, Treasurer

and being absent:

None

Also present were Pat Hall with Equi-Tax, Inc., Anthea W. Moran of First Southwest Company, Mark Ivy of M. Marlon Ivy & Associates, Inc., Rick Moffatt and Kelly Kessler of Cobb, Fendley & Associates, Inc., Claudia Redden of Claudia Redden & Associates, Inc., and J. Ron Young of Young & Brooks.

The president called the meeting to order and declared it open for such business as may come before the board.

The board approved the minutes of the board meeting held on July 10, 2007.

Pat Hall reported as to the status of tax collections within the district. The district is 98.1% collected for 2006.

The board unanimously ratified approval of the interlocal agreement with the Harris-Galveston Coastal Subsidence District.

Mark Ivy reported as to operational matters within the district.

Rick Moffatt reported as to engineering matters within the district. The board unanimously authorized the engineer to advertise for bids on repainting the water plant.

The board unanimously approved the electricity contract with Hudson Energy for one year.

Claudia Redden reported as to bookkeeping matters within the district.

There was presented to the board a list of bills for the approval of payment, a copy of which is attached hereto. After discussion, upon motion duly made, seconded and unanimously carried, the board approved said bills and ordered checks to be issued on the appropriate accounts of the district in payment thereof.

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

Secretary