

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 13, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on February 13, 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
Derek D. Drawhorn, Treasurer

and being absent:

Kenneth W. Heussner, Assistant Secretary

Also present were Mark W. Brooks of Young & Brooks, Pat Hall with Equi-Tax, Inc., Claudia Redden of Claudia Redden & Associates, Inc., Mark Ivy of M. Marlon Ivy & Associates, Inc., and Rick Moffatt of Cobb, Fendley & Associates, Inc.

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 January 9, 2007.

Pat Hall reported as to the status of tax collections within the district. The district is 91% collected for 2006.

Mark Ivy reported as to operational matters within the district. There are 757 connections in the district.

Rick Moffatt reported as to engineering matters within the district. The engineer presented, recommended, and the board unanimously approved an application for renewal of the district's storm water quality permit for the Cypress Trace subdivision.

Claudia Redden reported as to bookkeeping matters within the district.

Upon motion duly made, seconded, and unanimously carried, the board approved a Temporary Water Service Agreement with Bilma Public Utility District.

The board considered and unanimously authorized a resolution authorizing additional penalties on collection of delinquent taxes. The board unanimously granted 2007 tax exemptions on residence homestead for persons disabled or sixty-five years of age or older in an amount of \$25,000.

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