

## SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors  
February 9, 2010

The Board of Directors ("Board") of Spring Creek Forest Public Utility District ("District") met at 1100 Louisiana Street, Suite 400, Houston, Texas, on February 9, 2010 in accordance with the duly posted notice of the meeting, with a quorum of directors present, as follows:

R. W. (Rick) Kehlenbach, President  
Dave Simac, Vice President  
Janet E. Frakes, Secretary  
Kenneth W. Heussner, Asst. Secretary  
Derek D. Drawhorn, Treasurer

and the following directors absent:

None

Also present were Ms. Pat Hall, representing the District's tax assessor-collector; Mr. Mark Ivy, the District's operator; Mr. Dale Conger, the District's engineer; and Ms. Lori G. Aylett, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. Minutes of the meeting of January 12, 2010 were presented for the Board's review and approval. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. There was presented the attached Resolution Authorizing Petition Challenging Appraisal Records. The attorney noted that adoption of this resolution would provide the tax assessor-collector with authorization to challenge the preliminary appraisal roll when it becomes available. Upon motion duly made, seconded and unanimously carried, the Board voted to approve the order as presented.

3. Mr. Mark Ivy presented an operations report, a copy of which is attached. The District accounted for 92% of the water produced during the month of January. The District billed \$65,108.19 and collected \$69,090.78. Water plant no. 1 is shut down for construction and painting. There were several mainline breaks in the District during the last month. The operator presented a list of accounts proposed for write-off, and the Board approved the list as presented. After discussion, upon unanimous vote, the operations report was approved as presented.

4. The Board reviewed the tax assessor-collector's report with Ms. Pat Hall, and a copy of the report is attached. The District's 2009 taxes are 77.2% collected. Six checks were presented for the Board's approval. Upon unanimous vote, the tax assessor-collector's report was approved as presented.

5. Mr. Dale Conger presented the engineer's report. Bilma PUD sent correspondence suggesting two ways to prepare a model for cooperative operations during emergencies. It is cheaper to give the information to their engineer to compile, but they did note that these costs were estimates. The Board discussed the cooperative response to an emergency in some detail. The Board noted that the water system modeling would be helpful from an engineering perspective, but it would be better to obtain information up front regarding the actual ability of the various water systems to keep the interconnected lines pressurized. In other words, a practical demonstration of the planned response during an emergency might make the modeling obsolete. After discussion, the Board authorized the engineer and attorney to submit a response to Bilma PUD suggesting that a practical demonstration and test be performed in advance of conducting any water modeling.

The Board reviewed the Emergency Preparedness Plan required to be filed with the Texas Commission on Environmental Quality by March 1. The Board reviewed the report in detail, and upon unanimous vote, the Board approved the plan and authorized its submission as required by law.

The Board noted that the next project that should be undertaken at water plant no. 1 is the drainage improvements. The Board authorized the engineer to begin preparation of plans and specifications for the drainage improvements.

The Board reviewed the status of the painting contract at water plant no. 1. The contractor is preparing to move onsite. The Board reviewed paint colors for the tanks and picked the color that most closely matched the existing color of the facilities. Further, at water plant no. 1, the engineer is assisting with preparation of a change order for pricing for additional piping at the well header for the disinfection system. The District's electric motor is back on the well.

The engineer reported that the Spring Creek Court detention pond permits have been renewed by Storm Maintenance & Monitoring on behalf of the District.

Finally, the engineer noted that notices regarding the painting project will be hand distributed to the neighbors near the plant site before the project is undertaken.

6. The Board then considered the attached Order for Election of Directors to be held May 8, 2010, and upon unanimous vote, the Order was approved by the Board.

7. The Board then discussed the possible requirement for filing a Voting Rights Submission to the U. S. Justice Department and authorized the attorney to prepare the filing should it become necessary.

8. The Board reviewed the bookkeeper's report, a copy of which is attached. After discussion, upon unanimous vote, the Board approved the bookkeeper's report and payment of bills listed thereon.

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

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Secretary