

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

June 12, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on June 12, 2007, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

Dave Simac, Vice President
Janet E. Frakes, Secretary
Kenneth W. Heussner, Assistant Secretary

and being absent:

R.W. Kehlenbach, President
Derek D. Drawhorn, Treasurer

Also present were Claudia Redden of Claudia Redden & Associates, Inc., Pat Hall with Equi-Tax, Inc., Mark Ivy of M. Marlon Ivy & Associates, Inc., Rick Moffatt of Cobb, Fendley & Associates, Inc., Rebecca Marcucci of Legacy Group Energy Management Solutions, and J. Ron Young of Young & Brooks.

The vice 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 May 8, 2007.

Claudia Redden reported as to bookkeeping matters within the district.

Pat Hall reported as to the status of tax collections within the district. The district is 96.5% collected for 2006.

Mark Ivy reported as to operational matters within the district. There are 769 connections in the district.

Rick Moffatt reported as to engineering matters within the district.

Rebecca Marcucci discussed an electricity contract and after discussion agreed to wait until the next directors' meeting to decide on the electricity contract.

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