

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

March 22, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on March 22, 2007, in accordance with the duly posted notice of said meeting, with a quorum of directors present as follows:

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

and being absent:

Dave Simac, Vice President

Also present were Mark W. Brooks of Young & Brooks, Pat Hall with Equi-Tax, Inc., Mark Ivy of M. Marlon Ivy & Associates, Inc., Jill Henze of Breedlove & Co., P.C., 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 February 13, 2007.

Jill Henze presented the audit for fiscal year ending November 30, 2006. The board considered and unanimously approved the audit for fiscal year ending November 30, 2006.

Mr. Drawhorn excused himself from the meeting. Mr. Heussner arrived for the meeting, having been delayed.

Pat Hall reported as to the status of tax collections within the district. The district is 90.5% collected for 2006.

The board considered and unanimously approved a request for waiver of penalty and interest by the taxpayer at 6611 River Lodge Drive, who indicated their tax payment was mailed at year-end.

Mark Ivy reported as to operational matters within the district. There are 761 connections in the district.

Rick Moffatt reported as to engineering matters within the district.

The board requested that the engineer determine the feasibility of re-working the district's water well.

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