

## SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

### Minutes of Meeting of Board of Directors

May 8, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on May 8, 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., Mark Ivy of M. Marlon Ivy & Associates, Inc., Rick Moffatt of Cobb, Fendley & Associates, Inc., Rebecca Marcucci of Legacy Group Energy Management Solutions, 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 April 10, 2007.

Pat Hall reported as to the status of tax collections within the district. The district is 94.6% collected for 2006.

Mark Ivy reported as to operational matters within the district. The board unanimously agreed to write off certain accounts in accordance with the operator's recommendation.

Rebecca Marcucci presented an electricity agreement for the district's consideration.

Rick Moffatt reported as to engineering matters within the district.

The board unanimously approved an application for release of escrowed funds in the amount of \$495,000 for rehabilitation of water well no. 1.

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.

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Secretary