

SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

September 11, 2007

The Board of Directors of Spring Creek Forest Public Utility District met at 1415 Louisiana, Fifth Floor, Houston, Texas on September 11, 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 Mark W. Brooks of Young & Brooks, Pat Hall with Equi-Tax, Inc., Mark Ivy of M. Marlon Ivy & Associates, Inc., Rick Moffatt and Kelly Kessler of Cobb, Fendley & Associates, Inc., and Claudia Redden of Claudia Redden & 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 meetings held on August 14, 2007 and August 29, 2007.

Pat Hall reported as to the status of tax collections within the district. The district is 98.2% collected for 2006.

Mark Ivy reported as to operational matters within the district.

Rick Moffatt reported as to engineering matters within the district. Mr. Moffatt reported the bids to re-paint water plant no. 2 are to be opened on October 3, 2007 at the offices of Cobb, Fendley & Associates, Inc. Mr. Moffatt further reported the escrow release application is pending at TCEQ for the water plant no. 1 rehabilitation, painting and storm sewer projects.

Claudia Redden reported as to bookkeeping matters within the district.

President R. W. Kehlenbach announced the board's entry into an Executive Session, pursuant to the authority of the Texas Water Code and with the provisions of the Open Meetings Act, Texas Government Code Sec. 551.074, as amended, and in compliance therewith stated:

1. A quorum consisting of the following board members will be present at this Executive Session:

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

2. In accordance with Texas Government Code Sec. 551.074, the items of business to be considered and transacted at said Executive Session are as follows:

Personnel matters.

At the conclusion of the Executive Session, an announcement was made to all present in the office that the Executive Session had adjourned and the public session of the meeting was reconvened.

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