

MINUTES OF MEETING OF BOARD OF DIRECTORS
August 25, 2009

THE STATE OF TEXAS
COUNTY OF FORT BEND
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 81

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 81 (the "District") met in regular session, open to the public, at the Fort Bend County Commissioner Precinct 3 Office Building, 8100 Highway 359 South, Fulshear, Texas 77441, on August 25, 2009, at 9:00 a.m.; whereupon roll was called of the directors, to-wit:

President	-	J.B. DuBois, Jr.
Vice President	-	Robert Machen
Secretary	-	Victor J. Zdunkewicz
Assistant Secretary	-	Joseph Ray LeBlanc
Treasurer	-	Robert Pfaffenberger

All members of the Board were present. Also attending all or part of the meeting were Mr. Harlen Wunsch of Severn Trent Environmental Services, Inc. ("ST"), operators for the District; Mr. Kenneth Byrd of Equi-Tax, Inc. ("Equi-Tax"), tax assessor and collector for the District; Mr. Terry Holland of Myrtle Cruz Inc. ("MCI"), bookkeeper for the District; Mr. Kenneth Martinec of Jones & Carter, Inc. ("J&C"), engineers for the District; Mr. Trent Thomas, councilman for the City of Weston Lakes (the "City"); Mr. Sonny Fisher, resident of the District; and Ms. Nancy Green of Fulbright & Jaworski L.L.P. ("F&J"), attorneys for the District.

The meeting was called to order and, in accordance with notice posted pursuant to law, copies of certificates of posting which are attached hereto as *Exhibit A*, the following business was transacted:

1. **Minutes.** Consideration was given to the minutes of the meeting of July 28, 2009, previously distributed to the Board. Upon motion by Director Zdunkewicz, seconded by Director LeBlanc, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of July 28, 2009, as presented.

2. **Tax Assessor and Collector's Report and Delinquent Tax Report.** Mr. Byrd presented to and reviewed with the Board the Tax Assessor and Collector's Report and the Delinquent Tax Report for July, copies of which are attached hereto as *Exhibit B*. Mr. Byrd reported that the District has collected 97.8% of its 2008 taxes and 74.4% of its 2009 standby fees. Mr. Byrd reported that he expects to receive the 2009 certified assessments the second week of September. Mr. Byrd reported that he contacted Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") regarding the Pfardresher lot bankruptcy and learned that no one is interested in purchasing the property. Director DuBois requested that Mr. Byrd continue to obtain information from Perdue on the property. It was the consensus of the Board to hold a

special meeting at 9:00 a.m. on September 10, 2009 to discuss the 2009 Certified Assessed Valuation and the Budget for the Fiscal Year Ending September 30, 2010.

Upon motion by Director Pfaffenberger, seconded by Director Machen, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report and to authorize payment of check nos. 2710 through 2714 from the Tax Account in the amounts, to the persons, and for the purposes described in the Tax Assessor and Collector's Report.

3. **Attorney's Report.** Director DuBois stated that he received the preliminary appraisal to reimburse VLI, Ltd. and the sales and lease agreement from the attorney's office, copies of which are attached hereto as *Exhibit C*. Director Zdunkewicz reported that the Board is still awaiting receipt of the executed release from the first assignment. Director DuBois requested that Ms. Green email the list of homes to Mr. Byrd, the Board and Mr. Martinec because the original email did not print the complete list of addresses. Director DuBois requested that Mr. Byrd review the list of homes to determine if the total value of the homes meets the reimbursement requirements. Upon motion by Director Machen, seconded by Director Pfaffenberger, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Attorney's Report, and to assign Mr. Byrd to evaluate the total value of the homes on the list and notify the Board of his findings.

4. **Bookkeeper's and Investment Report.** Mr. Holland presented to and reviewed with the Board the Bookkeeper's Report and Investment Report, a copy of which is attached hereto as *Exhibit D*. Mr. Holland requested that the Board approve and authorize execution of the Compass Bank Depository Pledge Agreement and the Resolution Reviewing Investment Policy and Making Any Desirable Changes Thereto, copies of which are attached to the Bookkeeper's Report. Upon motion by Director Zdunkewicz, seconded by Director Machen, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the Depository Pledge Agreement with Compass Bank and the Resolution Reviewing Investment Policy and Making Any Desirable Changes Thereto and to approve the Investment Report, the Bookkeeper's Report, and the payment of the District's bills noted therein.

5. **Operations Report.** Mr. Wunsch reviewed several invoice items which included the \$2,500 invoice to notify residents of the drought contingency measures. Mr. Wunsch reported that the invoices were higher in July due to the lift station repair costs. Discussion ensued on various invoice items.

Mr. Wunsch presented to and reviewed with the Board the Operations Report and Well Run Report, copies of which are attached hereto as *Exhibit E*. Mr. Wunsch reported that there are five months and 72,611,000 gallons remaining on the District's Fort Bend County Subsidence District ("FBCSD") water permit. Mr. Wunsch stated that the District pumped 48,712,000 gallons of water in the month of July and that the water accountability for the month was 91.40%. Mr. Martinec stated that he would apply for an amendment to the FBCSD water permit. Discussion ensued on the amount to increase the permit. Mr. Martinec recommended that the District request an additional 70,000,000 gallons of water from the FBCSD.

Mr. Wunsch reported no problems at the Wastewater Treatment Facility.

Mr. Wunsch reported on the Builder Damage Receivables.

Mr. Wunsch reviewed the run times and pumpage amounts for water plant # 1 and # 2. Mr. Wunsch noted that the well pumpages are decreasing to approximately 14 to 15 hours per day. In response to a question from Director Machen, Mr. Martinec reported that the aquifer has declined slightly this year.

Mr. Wunsch noted that the lead and copper samples (which are taken every three to five years) were performed this month by District residents. Mr. Wunsch stated that the samples are taken by residents in different areas of the District to determine if lead or copper is detected in the homes. Mr. Wunsch noted that the samples are reported in the Consumer Confidence Report.

Mr. Wunsch reported that ST has repaired several main water line breaks in July and noted that the District lost approximately 1,000,000 gallons of water during the breaks.

Mr. Wunsch reported that he and Director Zdunkewicz reviewed the water usage in the District and noted that approximately 30 accounts had low meter readings. Mr. Wunsch requested the Board's approval to check 10 meters each month to determine their accuracy.

Mr. Wunsch reported that 25 accounts are on the delinquent list and requested the Board's approval to disconnect the accounts on September 2, 2009, if payment is not received by 5:00 p.m. on September 1, 2009. Upon motion by Director LeBlanc, seconded by Director Machen, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's Report, to authorize ST to check 10 meters for accuracy and to disconnect the accounts on the delinquent list.

6. **Developer's Report.** There was no report.

7. **Engineer's Report.** Mr. Martinec reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit E*.

Mr. Martinec reported on the CenterPoint Energy ("CenterPoint") Critical Loads List and noted that the application was approved. Mr. Martinec reported that J&C submitted the District's information in an additional format per CenterPoint's request. Mr. Martinec stated that J&C also submitted information for a District lift station that was not included in the original submittal. Director DuBois requested a copy of the additional information that was submitted to CenterPoint.

Mr. Martinec reported on the Johnson development and noted that J&C reviewed the plat for Weston Lakes Section 6A. Mr. Martinec reported that J&C made some minor changes to the plat and recommends that the Board approve the plat subject to the changes. Mr. Martinec stated that he has a copy of the plat for the Board's review. Mr. Martinec stated that the City of Weston Lakes (the "City") and the District are required to approve the plat before the County will record the plat. Discussion ensued regarding the plat and any fees associated with

J&C preparing a letter to the land owner. Mr. Martinec stated that the fee to prepare the letter is approximately \$500.

Mr. Martinec reported that J&C received the well performance reports. Mr. Martinec stated that the water table at Water Plant #1 dropped 11 feet (from 73 feet to 84 feet) and that the water table at Water Plant #2 dropped 16 feet (from 71 feet to 87 feet). Martinec noted that the drop was minor. Mr. Martinec reported that the Board might want to consider reworking the well #2 at Water Plant #1 in the future because the pump is five years old. Mr. Martinec noted that the amperages supplied to the well motor at water plant #1 have an imbalance of approximately 10% and the amperages supplied to well motor at water plant #2 have an imbalance of approximately 12%. Mr. Martinec suggested that an electrician investigate to determine the cause of the imbalance. Extensive discussion ensued.

Director DuBois reported that the City's Emergency Preparedness meeting will be held at 6:00 p.m. September 8, 2009 at the Weston Lakes Clubhouse. Mr. Thomas explained the kinds of emergency responses that would be discussed.

Upon motion by Director Machen, seconded by Director Pfaffenberger, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report, to approve J&C to charge \$500 for notifying the Johnson development of the District's no objection to the plat, and to authorize J&C to contact CenterPoint regarding the imbalances in the amperages at the water plants.

8. Public Comments.

9. Other business matters. Director DuBois reported that he and Director Zdunkewicz will meet with Dennis DeLuca and Trent Thomas regarding the Non-Abolishment Agreement between the District and the City. Mr. Thomas stated that the City would like to rename the Non-Abolishment Agreement an Interlocal Agreement.

Director DuBois stated that the special meeting to discuss the tax rate and to adopt the budget for the fiscal year ending September 30, 2010 would be held September 10, 2009 at 9:00 a.m.

Upon motion by Director LeBlanc, seconded by Director Zdunkewicz, after full discussion and the question being put to the Board the Board voted unanimously to adjourn the meeting.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and forgoing minutes were passed and approved by the Board of Directors on _____.

President, Board of Directors

ATTEST:

Secretary, Board of Directors