

MINUTES OF MEETING OF BOARD OF DIRECTORS
February 23, 2010

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 February 23, 2010, 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; 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 of which are attached hereto as *Exhibit A*, the following business was transacted:

1. **Minutes.** Consideration was given to the minutes of the regular meeting of January 26, 2010, previously distributed to the Board. Upon motion made 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 minutes of the regular meeting of January 26, 2010, as presented.

2. **Tax Assessor Collector's Report and Standby Fee Report.** Mr. Byrd presented to and reviewed with the Board the Tax Assessor and Collector's Report for January, 2010 and the Perdue, Brandon, Fielder, Collins & Mott, L.L.P. Delinquent Tax Report, copies of which are attached hereto as *Exhibit B*. Mr. Byrd reported that the District has collected 77.4% of its 2009 taxes and 49.2% of its 2010 standby fees.

In response to a question from Director DuBois, Mr. Byrd explained that the District is allowed to foreclose its tax lien at any point, but the Pfardreshers have abandoned their lot and are not liable for any future taxes. Director Pfaffenberger requested information from Mr. Byrd regarding the tax base history in relation to flood plain issues. Mr. Byrd stated that the

Fort Bend County Appraisal District (“FBCAD”) has not held a meeting to discuss the economic impact foreclosures have had on property values. Upon motion by Director Machen, seconded by Director LeBlanc, 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 no. 2225 from the Tax Account in the amounts, to the person, and for the purposes described in the Tax Assessor and Collector’s Report.

3. **Attorney’s Report.** Director LeBlanc reported that he will notify the Weston Lakes Golf Club and the Board of Directors if the election is cancelled

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 C*. In response to a question, Mr. Holland reported that he is waiting on a builder deposit liability list from ST. Mr. Wunsch stated that ST would develop a list and send it to MCI. 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 approve the Investment Report, the Bookkeeper’s Report, and the payment of the District’s bills noted therein.

5. **Operations Report.** Mr. Wunsch reviewed with the Board the invoice items. Mr. Wunsch reported that one resident responded to the request to trim bushes around water meters.

Mr. Wunsch reported that a new resident across the street from the sewer plant is complaining of odors and noise. Discussion ensued regarding the possibility that the City Counsel will approve building a fence around the sewer plant and deeding the fence to the District. Mr. Martinec discussed some remedies for the noise issues and suggested that the resident attend the next Board meeting or complete a questionnaire to help diagnose the situation. Director Machen stated that he would contact the resident, obtain his address for Mr. Martinec and invite him to the next Board meeting.

Mr. Wunsch presented to and reviewed with the Board the Operations Report and Well Run Report, copies of which are attached hereto as *Exhibit D*. Mr. Wunsch reported that 11 months and 250,668,000 gallons remain on the District’s Fort Bend County Subsidence District (“FBCSD”) water permit. Mr. Wunsch stated that the District pumped 9,332,000 gallons of water in the month of January and that the water accountability for the month was 86.28%. Mr. Wunsch reported ST would revise the report to include the unaccounted number.

Mr. Wunsch requested the Board’s approval to send one account to NCO for collection. Mr. Wunsch reported that 30 accounts are on the delinquent list and requested the Board’s approval to disconnect the accounts on March 3, 2010, if payment is not received by 5:00 p.m. on March 2, 2010. 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 send one account to NCO for collection, and to disconnect the accounts on the delinquent list on March 3, 2010, if payment is not received by 5:00 p.m. on March 2, 2010.

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*.

With regard to the water well reworking project, Mr. Martinec reported that J&C held a preconstruction meeting with the contractor on February 3, 2010 and issued a Notice To Proceed. Mr. Martinec reported that the contractor pulled the column assembly and motor from the well and conducted the television survey yesterday. Mr. Martinec stated that he brought a DVD of the survey if the Board is interested in viewing the televised survey.

Mr. Martinec reported that the construction at the AT&T site is complete. Mr. Martinec reported that AT&T is programming and testing the facilities and expects to provide service within the first few weeks of March. Mr. Martinec stated that J&C is working with an AT&T representative to finish sodding the site.

Mr. Martinec reported that J&C prepared a detailed outline of the items recommended for inclusion in the Emergency Preparedness Plan ("EPP"). Mr. Martinec stated that J&C sent a copy of the outline of the EPP to Director Pfaffenberger for review.

Mr. Martinec reported that as directed by Director DuBois, J&C sent a letter to the City of Weston Lakes (the "City") formally requesting that the City take responsibility for floodplain management. Mr. Martinec stated that the City, in turn, submitted the letter which is attached to the Engineer's Report.

Mr. Martinec reported on the water well no. 2 flowmeter and noted that the white chalky substance that was found in the meter at Water Well No. 2 appears to be a precipitate from the polyphosphates (which are injected into the water to sequester the iron and manganese that naturally occur in the water). Mr. Martinec stated that it is possible that the check valve in the well piping may not be functioning correctly, allowing the water to backflow to the meter causing the injected polyphosphates to precipitate at the meter. Mr. Martinec stated that J&C will test the check valve during the water well rework. Mr. Martinec discussed the matter with Napco, the polyphosphate supplier for the well, who advised J&C that the characteristics of the water may have changed. Mr. Martinec stated that Napco requested to retest the well water after the rework is complete to determine if the polyphosphate treatment needs to be modified.

Mr. Byrd stated that the resident complaining of odor lives at 32903 Whitburn Trail.

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.

8. **Public Comments.** There were no public comments.

9. **Other business matters.** Director DuBois stated that the recycle letter was finalized and would be mailed to residents the first week of March.

Director DuBois stated that Director Machen and himself would be attending a four-hour course for municipal utility district directors on April 5, 2010 at the Meadows Place in Fort Bend County.

Director LeBlanc reported that he would be aiding Director DuBois in revising the website updates.

Director DuBois stated that the Water Smart application has been submitted and the District is waiting on the 2010 inserts.

Director DuBois stated that the electricity presentations are scheduled for the May meeting and proposals would be requested in April. Director Pfaffenberger noted that he would not be able to attend the May meeting.

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 March 23, 2010.

President, Board of Directors

ATTEST:

Secretary, Board of Directors