

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

August 11, 2008

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 18 of Harris County, Texas (the "District"), met in regular session, open to the public, on the 11th day of August, 2008, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Arved White	President
Roy A. Beversdorf	Vice President
Michael L. Murr	Secretary
Robert A. Bernardini	Assistant Vice President
Vacant	Assistant Secretary

and all of the above were present except Director Bernardini, thus constituting a quorum.

Also present at the meeting were Louise Williams and Robin Humphreys of Wheeler & Associates, Inc.; Gus Gustafson of SWWC Services, Inc.; Mark Adam of AEI Engineering, Inc.; Wendy Austin of District Data Services, Inc.; Rob Kimmons of Kimmons Security Services, Inc.; and David Oliver and Janet Swartz of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the July 22, 2008, meeting. After review and discussion, Director Beversdorf moved to approve the minutes of the July 22, 2008, meeting. Director Murr seconded the motion, which passed unanimously.

CONTRACT WITH KIMMONS SECURITY SERVICES, INC.

Mr. Kimmons stated that he sold Kimmons Security Services, Inc. to Infrastruct Security Inc. He added that the District's contract for security services was transferred to Infrastruct Security Services, Inc. Mr. Kimmons stated that he no longer works with Infrastruct Security Inc. on the District's account. The Board asked Ms. Austin to present a record of payments made to Infrastruct Security, Inc. during the last year at

the next meeting. The Board requested that Mr. Kimmons present a proposal for security services.

#### BOOKKEEPER'S REPORT

The Board received the bookkeeper's report and considered paying the bills. Ms. Austin reviewed the written report, budget comparison, and schedule of investments, copies of which are attached. After review and discussion, Director Beversdorf moved to approve the bookkeeper's report, the investment report and payment of the bills. Director Murr seconded the motion, which passed unanimously.

#### TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Williams reviewed the tax assessor/collector's report with the Board of Directors, a copy of which is attached. She reported that 98.72% of the 2007 taxes have been collected to date. After review and discussion, Director Beversdorf moved to approve the tax assessor/collector's report and the tax bills presented for payment. Director Murr seconded the motion, which carried unanimously.

#### DISCUSS 2008 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board tabled discussion on this agenda item.

#### ENGINEER'S REPORT

Mr. Adam reviewed the engineer's report, a copy of which is attached. He then updated the Board on the design of plans for chloramine disinfection conversion at the water plants. Mr. Adam reviewed a memorandum regarding a meeting with representatives of the North Harris County Regional Water Authority (the "NHCRWA") regarding the water supply connection to the Malcomson Road water plant. He discussed three alternatives for the water supply connection. Director Beversdorf stated that he will meet with Mr. Adam to discuss the alternatives. After review and discussion, Director Beversdorf moved to approve the engineer's report. Director Murr seconded the motion, which passed by unanimous vote.

#### OPERATOR'S REPORT

Mr. Gustafson reviewed the operator's report with the Board, a copy of which is attached. He reviewed a notice containing contact information for SWWC Services, Inc. to include with the next water bill. Director Beversdorf stated that the contact information will be added to the District's website. After review and discussion, Director Beversdorf moved to approve the operator's report and the notice to include with the water bill. Director Murr seconded the motion, which passed unanimously.

## HEARING ON TERMINATION OF WATER AND SEWER SERVICE

The Board reviewed the termination notices for delinquent customers. Mr. Gustafson stated that the customers on the attached termination list were mailed written notice prior to this meeting notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated because of nonpayment, all as required by the District's Rate Order. After review and discussion, and there being no one present to protest termination, Director Beversdorf moved to terminate service to the customers because no customers were either present at the meeting or had presented any written statement on the matter. Director Murr seconded the motion, which passed unanimously.

## REPORT ON DAMAGES TO DISTRICT FACILITIES AND AUTHORIZE APPROPRIATE ACTION, INCLUDING DISCUSS IMPOSING FINES AND PENALTIES FOR VIOLATIONS UNDER THE DISTRICT'S RATE ORDER

There was no discussion on this agenda item.

## DISTRICT'S WEBSITE

Director Beversdorf updated the Board on the District's website.

## NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

Director Murr updated the Board on the NHCRWA.

## LAKE FOREST PLANT ADVISORY COUNCIL ("LFPAC")

Director White updated the Board on LFPAC activities.

## CONSTABLE SECURITY PATROL

The Board reviewed a report on constable security patrol.

## RESCHEDULE SEPTEMBER BOARD MEETING

The Board concurred to conduct the next meeting on September 4, 2008.

## ACTION LIST

The Board reviewed the action list.

RECEIVE REPORTS FROM DISTRICT DIRECTORS AND CONSULTANTS

There being no further business to come before the Board, the meeting was adjourned.

---

Secretary, Board of Directors

(SEAL)

ACTION LIST

1. Mr. Kimmons will make a presentation at the next meeting on security services.

LIST OF ATTACHMENTS TO MINUTES

	Minutes Page
bookkeeper's report .....	2
budget comparison .....	2
schedule of investments .....	2
tax assessor/collector's report .....	2
engineer's report .....	2
operator's report.....	2
termination list .....	3