

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

February 9, 2009

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 9th day of February, 2009, 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, thus constituting a quorum.

Also present at the meeting were Robin Humphrey of Wheeler & Associates, Inc.; Gus Gustafson of SWWC Services, Inc. ("SWWC"); Mark Adam of AEI Engineering, Inc.; Wendy Austin of District Data 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 January 12, 2009, meeting. After review and discussion, Director Bernardini moved to approve the minutes of the January 12, 2009, meeting. Director Murr seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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 Bernardini seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT THE ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

The Board discussed the Association of Water Board Directors winter conference. After discussion, Director Beversdorf moved to approve reimbursement of eligible expenses for the winter conference and authorize all interested directors to attend the Association of Water Board Directors summer conference. Director Bernardini seconded the motion, which carried by unanimous vote.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Humphrey reviewed with the Board the tax assessor/collector's report, a copy of which is attached. She reported that 85.22% of the 2008 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.

ENGINEER'S REPORT

Mr. Adam reviewed the engineer's report, a copy of which is attached. He stated that bids for the chloramine disinfection conversion at the water plants will be received on March 5, 2009. Mr. Oliver stated that the Texas Commission on Environmental Quality ("TCEQ") requires that the District notify its customers of the plan to convert to a chloramine system at least 14 days prior to conversion. He added that Mr. Adam will need to submit the District's Certification of Delivery of Public Notice to Customers to the TCEQ. Director Beversdorf stated that he will work with Mr. Adam on the contents of the notice to the customers. After review and discussion, Director Bernardini moved to approve the engineer's report. Director Beversdorf seconded the motion, which passed by unanimous vote.

REQUEST FOR PUBLIC ASSISTANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY ("FEMA")

Mr. Gustafson stated that the District's claim has not been processed by FEMA for costs associated with damage due to Hurricane Ike.

FEDERAL EMERGENCY MANAGEMENT AGENCY HAZARD MITIGATION GRANT PROGRAM

Mr. Oliver stated that the District has not received a response from FEMA on the Notice of Interest for the FEMA Hazard Mitigation Grant Program.

## OPERATION OF DISTRICT FACILITIES

Mr. Gustafson reviewed the operator's report with the Board, a copy of which is attached. After review and discussion, Director Beversdorf moved to approve the operator's report. Director Bernardini 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 Bernardini seconded the motion, which passed unanimously.

## EMERGENCY PREPAREDNESS

Director Bernardini discussed the preparation of an emergency preparedness plan. He stated that the consultants are reviewing the draft plan.

## REPORT ON DAMAGES TO DISTRICT FACILITIES

There was no discussion on this agenda item.

## NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

Director Murr updated the Board on NHCRWA activities.

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

Director White updated the Board on LFPAC activities.

## CONSTABLE SECURITY PATROL

The Board reviewed a report on the constable security patrol. Director Beversdorf stated that accompanied the deputy during a patrol of the District.

## DISTRICT INFORMATION KIT

Mr. Oliver distributed an updated District Information Kit. Following review and discussion, Director Beversdorf moved to approve the Information Kit and direct

that the Kit be filed appropriately and retained in the District's official records. Director Bernardini seconded the motion, which passed by unanimous vote.

SUPPLEMENTAL ENGAGEMENT LETTER WITH ALLEN BOONE HUMPHRIES  
ROBINSON LLP FOR LEGISLATIVE MONITORING

After review and discussion, Director Bernardini moved to reapprove the Supplemental Engagement Letter with ABHR for legislative monitoring and reporting and direct that the letter be filed appropriately and retained in the District's official records. Director Beversdorf seconded the motion, which passed unanimously.

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

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Secretary, Board of Directors

(SEAL)

ACTION LIST

1. The operator and engineer will prepare an emergency preparedness plan.
2. Director Beversdorf and Mr. Adam will work on the notice to customers regarding changing from free chlorine to chloramines.

LIST OF ATTACHMENTS TO MINUTES

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