

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 18

January 20, 2011

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 20th day of January, 2011, at the offices of A.E.I. Engineering, LLC, 616 FM 1960 West, Suite 250, 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
Karl Skarboszewski	Assistant Secretary

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

Also present at the meeting were Gus Gustafson of SWWC Services, Inc.; and Mark Adam and Nathan DeLisle of AEI Engineering, LLC ("AEI").

APPROVE PLAN FOR REPAIR OF SANITARY SEWER LINES IN THE DISTRICT

Mr. Adam presented a report outlining the results of the sanitary sewer televising program that has been performed in the District over the past several years. The Board discussed the most critical areas that need to be addressed at this time and a plan for an overall rehabilitation of the sewer system. The Board also discussed the financial condition of the District and the amount of funds that are available for the rehabilitation project.

After discussion, the Board authorized AEI to prepare a priority sanitary sewer rehabilitation plan (the "Plan") for 2011 based on available funds in the amount of \$350,000. The Board requested that Mr. Adam present the Plan for approval at the next regular Board meeting.

The Board discussed scheduling a special meeting following the next regular Board meeting with the District's financial advisor and engineer to discuss the long-term financial goals of the District, including the funding of the Plan.

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

(SEAL)

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Secretary, Board of Directors