

**MINUTES OF REGULAR MEETING
OF
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY**

February 14, 2007

The Board of Directors of the West Harris County Regional Water Authority (the "Authority") met in regular session, open to the public, on February 14, 2007, at 15300 Falmouth, Houston, Texas, inside the boundaries of the Authority, and the roll was called of the duly appointed members of the Authority to wit:

Dan Sallee	President
George L. Rush, Jr.	Vice President
Douglas (Cam) Postle	Secretary
Stacey L. Burnett	Assistant Vice President
Art Garden	Assistant Secretary
Larry Weppler	Director
Bruce Parker	Director
Karla Cannon	Director
Malcolm Beckendorff	Director

and all of the above were present except Directors Cannon and Garden, thus constituting a quorum.

Also present at the meeting were: Erin Garcia of Myrtle Cruz, Inc.; Debbie Gibson of McCall, Gibson & Company, PLLC; Rick Van Dyke of ECO Resources, Inc. ("ECO"); Wayne Ahrens of Dannenbaum Engineering Corporation ("DEC"); and Alex Garcia and Linda Sotirake of Allen Boone Humphries Robinson LLP ("ABHR"). Also present at the meeting are those persons included on the attached list.

MINUTES OF PREVIOUS MEETING

The Board reviewed the minutes of the January 10, 2007, meeting. Following discussion, Director Postle moved that the minutes of the January 10, 2007, meeting be approved as submitted. The motion was seconded by Director Parker and passed by unanimous vote.

**ENGAGE AUDITOR TO PREPARE AUDIT FOR FISCAL YEAR ENDED
DECEMBER 31, 2006**

Ms. Gibson reviewed with the Board a proposal from McCall, Gibson & Company, PLLC. She pointed out that the estimated cost to perform the Authority's audit would be \$15,000-\$17,500. Following discussion, Director Burnett moved that the Board engage McCall, Gibson & Company, PLLC as the Authority's auditor. Director Rush seconded the motion, which carried unanimously.

ACCEPT DISCLOSURES REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT

The Board considered accepting the annual disclosure statements required by the Public Funds Investment Act to the District's Investment Officer and bookkeeper. Following discussion, Director Parker moved that the Board accept the disclosure statements and authorize filing of the disclosure statements with the Texas Ethics Commission. Director Burnett seconded the motion, which carried unanimously.

RECEIVE QUESTIONS AND FEEDBACK FROM THE PUBLIC

The Board received no questions from the public.

RECEIVE CUSTOMER APPEALS REGARDING PAYMENT, SERVICE, OR OTHER MATTERS

The Board did not receive any customer appeals.

BOOKKEEPER'S REPORT

Ms. Garcia then presented the bookkeeper's report, the investment report, a budget comparison, and submitted the bills for the Authority's review. She then presented check no. 3375 in the amount of \$2,507.48 payable to LandAmerica Commonwealth Title of Houston, check no. 3376 in the amount of \$25,382.00 payable to MacDonald Hwy. 6 No. 5 L.P. for easement 31FF, check no. 3377 in the amount of \$9,160.00 payable to Aberdeen Green Homeowners Association for easement 31EE, check no. 3378 in the amount of \$27,114.34 payable to the City of Houston, check no. 3379 in the amount of \$11,815.78 payable to Terracon, and check no. 3380 in the amount of \$98,823.00 payable to CenterPoint. Following discussion, Director Rush moved that the Board approve the bookkeeper's report and the checks presented for payment. Director Burnett seconded the motion, which carried by a vote of five for the motion with Directors Postle and Weppler abstaining. The Board directed that check. 3379 be held by the bookkeeper pending approval by Mr. Ahrens and that check no. 3375 be held by the bookkeeper pending approval by ABHR. The bookkeeper's report is attached as an exhibit to these minutes.

DISCUSS WEBSITE

Ms. Payne reported that the website received approximately 79,000 hits for the month. She stated that additional copies of the water conservation brochures have been requested. Ms. Payne stated that 99% of the attorneys have provided information needed for the database of director information.

Ms. Payne reported that the mobile lab would be participating in the City of Houston (the "City") Water Festival this year.

Ms. Payne reported that the City is building a water museum and the Authority could participate and sponsor the water conservation outdoors. Discussion ensued

regarding participation in the project, Director Burnett moved that the Board contribute \$25,000 to the water museum. Director Parker seconded the motion, which carried by a vote of six for the motion with Director Weppler abstaining.

Ms. Payne stated that she sent information regarding the mobile lab to the elementary science curriculum teacher at Katy Independent School District for review.

Ms. Payne reported that she looked into the request received at the last Town Hall meeting for publishing the Authority's public communication documents into Spanish and she learned that the law does not require the Authority to translate its documents. Mr. Garcia confirmed this. Ms. Payne also stated that the cost is significant. The Board concurred not to translate its documents, but if a special request is made, the Board will consider the request, if appropriate.

APPROVE PUBLIC COMMUNICATIONS AGREEMENT

Mr. Garcia reviewed an agreement with B.J. Kaplan for public communications. Following review and discussion, Director Beckendorff moved that the Board approve the agreement with B.J. Kaplan. Director Parker seconded the motion, which carried unanimously.

ENGINEER'S REPORT

Mr. Ahrens presented an engineer's report, a copy of which is attached, and reviewed it with the Board.

Mr. Ahrens reviewed with the Board a monthly pumpage report. He pointed out that the pumpage for 2006 is approximately 101% through December of that at this time last year.

Mr. Ahrens reported that the TWCA annual conference is scheduled for March 7-9, 2007, in Austin, Texas and the Texas Water 2007 Conference is scheduled for April 10-13, 2007, in Fort Worth, Texas.

Mr. Ahrens reviewed correspondence from TCB with an update of Harris County Municipal Utility District No. 163's plan approved by the TCEQ.

Mr. Ahrens also reported that DEC has been coordinating with the North Fort Bend Water Authority regarding a possible joint project.

Mr. Ahrens reported that DEC is preparing a route analysis and probable construction cost estimates for possible extension of the North Harris County Regional Water Authority's ("NHCRWA") Beltway 8 water line.

Mr. Ahrens reported that DEC has submitted the population/flow data to the NHCRWA.

Mr. Ahrens reported that the waiting list for TCEQ water system plan review is approximately six months.

Mr. Ahrens then reported that requests for over-conversion credits were submitted to the Harris-Galveston Subsidence District for Horsepen Bayou Municipal Utility District, Spencer Road Public Utility District, Hearthstone Country Club, and Harris County Municipal Utility District Nos. 162, 179, 188, and 208.

Mr. Ahrens then reported that a meeting was held on February 9, 2007 with the City and the North Fort Bend Water Authority ("NFBWA") to discuss alternatives for the three entities to work together to provide water to the Authority and the NFBWA.

DISCUSS REQUESTS FOR SURFACE WATER AVAILABILITY

The Board took no action on this matter.

APPROVE WATER SUPPLY AGREEMENT

The Board took no action on this matter.

DISCUSS PURCHASE OF HGSD CONVERSION CREDITS

Mr. Ahrens reported that additional kits have been purchased.

DISCUSS STATUS OF WATER LINE PROJECT TO COPPERFIELD AREA DISTRICTS

Mr. Ahrens reported that Contracts 3 and 6 are substantially complete except the start-up of Harris County Municipal Utility District No. 163. He stated that Contract 7B (Huff & Mitchell) is currently installing 36-inch pipe from FM 529 along the Gordon easement, Contract 8 (Bearden Contracting) is installing 24-inch line along West Little York, Contract 9 (C.E. Barker, Ltd.) has completed all water main installation, Contract 10 (Triple B Services, L.L.P.) has completed all water main installation with the exception of the 12-inch service to Harris County Municipal Utility District No. 264 and Contract 12A (D.L. Elliott Enterprises) has installed a large portion of the proposed 16-inch and 12-inch water lines and is on track to complete the project on schedule. Pump station no. 1 (T&C Construction) has completed pump suction gallery and valve vaults and scaffolding and form work for the concrete storage tank are in place. He then recommended approval of Change Order No. 2 in the amount of \$977,857.00 for pump station no. 1. Upon a motion made by Director Wepler and seconded by Director Rush, the Board voted to approve Change Order No. 2. He stated that Contracts 13B, C and D received approval from the Texas Commission on Environmental Quality.

APPROVE REIMBURSEMENT TO DISTRICTS FOR SURFACE WATER CONVERSION COSTS

Mr. Ahrens recommended that Harris County Municipal Utility District No. 162 ("MUD 162") be reimbursed in the amount of \$224,188.16 and Harris County Municipal Utility District No. 208 be reimbursed in the amount of \$234,354.77, although each had requested a greater reimbursement. Directors from Harris County Municipal Utility District No. 162 and Harris County Municipal Utility District No. 208 requested that the Board consider approving additional reimbursement. Following discussion, Director Postle moved that the Board approve the reimbursement amounts recommended by Mr. Ahrens and consider additional reimbursement at a future meeting. Director Rush seconded the motion, which carried unanimously.

DISCUSS WATER SUPPLY CONTRACT WITH CITY OF HOUSTON

Mr. Ahrens reported that the quarterly Advisory Committee meeting has been scheduled for February 16, 2007.

DISCUSS APPROVING ENGINEERING SERVICES CONTRACTS

Mr. Ahrens requested that the Board approve the contract with PBS&J for surveying work. Following review and discussion, Director Wepler moved that the Board approve the PBS&J contract. Director Burnett seconded the motion, which carried by a vote of six for the motion, with Director Postle abstaining.

Mr. Ahrens reported that Klotz Associates, Inc., the engineer for Contract 7A, submitted 30% plans for review on January 23, 2007, Brown & Gay, the engineer for Contract 14B, submitted 30% plans for review February 2, 2007, Klotz Associates, Inc., the engineers for Contract 18, submitted 30% plans for review February 12, 2007, and Edminster, Hinshaw, Russ and Associates, the engineer for Contract 15A, expects to have surveying work completed by the week of April 23, 2007.

DISCUSS CAPITAL IMPROVEMENTS PLAN

Mr. Ahrens stated that he had nothing new to report regarding the capital improvements plan.

OPERATOR'S REPORT

Mr. Van Dyke presented copies of the operator's report and reviewed it with the Board, a copy of which is attached.

UPDATE ON STATUS OF GROUNDWATER REDUCTION PLAN

Mr. Ahrens stated that he had nothing new to report regarding the groundwater reduction plan.

ACCEPT REALTY INTERESTS IN CONNECTION WITH WATER LINE PROJECTS

The Board discussed acquisition of water line easements from Harris County Municipal Utility District Nos. 149, 250, 370, West Harris County Municipal Utility District Nos. 14 and 15, and Langham Creek Utility District and approving the right-of-entry agreement with CenterPoint. Mr. Garcia reviewed the terms of the CenterPoint right-of-entry agreement with the Board. Following discussion, Director Postle moved that the Board authorize acceptance of the easements and approve the right-of-entry agreement with CenterPoint. Director Rush seconded the motion, which carried unanimously.

ADOPT RESOLUTIONS AUTHORIZING CONDEMNATION

The Board took no action on this matter.

DISCUSS REGION H WATER PLANNING GROUP

Mr. Ahrens reported that the Coastal Water Authority attended the Region H meeting on February 8, 2007 to present information regarding the Luce Bayou Project.

ATTORNEY'S REPORT

Mr. Garcia stated that he had nothing additional to report.

There being no further matters to come before the Authority, the meeting was adjourned.

Secretary, Board of Directors

(SEAL)

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