

**MINUTES OF REGULAR MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
OCTOBER 22, 2008**

**STATE OF TEXAS §
 §
COUNTY OF HARRIS §**

The Board of Directors of Harris County Municipal Utility District No. 191 of Harris County, Texas, met in regular session, open to the public, beginning at 7:00 P.M., at The County Line Restaurant, 13850 Cutten Road, Houston, Texas 77069, on the 22nd day of October, 2008, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Edward A. Monto	President
Robert Price	Vice President
Errol Wirasinghe	Secretary
Vaughan G. Miller	Treasurer
Ernest F. Gigliotti	Assistant Secretary

and all of said directors were present, thus constituting a quorum.

Persons also present included Barbara Schlottman and Ron Walkoviak of Green Medians Committee; Sgt. Hill of Harris County Precinct 4 Constables; Jeff Hartgrove and Patrick Surman of Four Seasons Development; Brady Wilkins of WCP Cutten; Lehnda Buisson, Paul Gould, Dan Anders, Larry Lipton, Rob Harris, Harriet Renfrow and James Thomas, residents of the District; Gus Gustafson of SWWC; Bradley Jenkins of Jones & Carter; Claudia Redden of Claudia Redden & Associates, LLC.; Cindy Nichols of Michael A. Cole, P.C.; and James L. Dougherty, Jr.

GREEN MEDIANS

Barbara Schlottman, Chairman of the Green Medians Committee, and Ron Walkoviak of Cy-Champ PUD and the Green Medians Committee introduced themselves to the Board. Ms. Schlottman explained that the Texas Department of Transportation (“TxDOT”) is working on a project that would result in raised concrete medians with left hand turn lanes in FM 1960 from SH249 to I-45, and that she is working to have TxDOT revise its plan to put in landscaped medians rather than raised concrete medians. She stated that TxDOT is working with her to this end if she can find a way to have water supplied to these green medians, otherwise, TxDOT will move forward with its original plan of placing concrete medians along FM 1960. She requested the District’s consideration for participating in the Green Medians Program to pay or maintenance and to supply water for the proposed green medians along FM 1960. She stated that there are 19 water districts with property fronting this stretch of FM 1960, and her goal is to obtain the participation of at least 10 of those water districts. With participation of 10 water districts, she estimated the annual cost per district would be \$8,500, beginning in 2011. She noted that if she is unable to get the support of at least 10 water districts, she will no longer pursue the initiative and the program will die. In response to Director queries, Ms. Schlottman stated that the Chamber of Commerce has agreed to act as the

bank for collection and billing purposes for this program and donations would be tax deductible since it is a 501(c)(3) non-profit corporation. Additionally, Ms. Schlottman is proposing to have a MUD Advisory Committee of members from each participating MUD to work out details of the program, including how to provide the water to the green medians, billing, termination clause, contract terms, etc. Ms. Schlottman requested that if the Board is interested in participating in the Green Medians program that it provide a letter of intent with no obligation to the district stating the district's interest in participation in the program. She again stated that if she is unable to get the support of at least 10 water districts, she will let the program die.

Discussion was had concerning the matter at the conclusion of which the Board directed Mr. Dougherty to prepare a letter of interest to allow formative discussions, with no obligation to the District should it choose not to participate.

RESIDENT COMMENTS

President Monto requested that an item be placed on the next agenda concerning Cypress Cares in response to a request from Ms. Cunningham, a non-resident of the District.

Mr. Thomas brought to the Board's attention that there are several lights along Cutten Road that are out, and the Board suggested that Mr. Thomas write down the pole numbers and call CenterPoint Energy to report the outages.

UTILITY OPERATOR'S REPORT

Gus Gustafson presented his report to the Board along with a list of proposed service terminations. President Monto opened a public hearing for any persons present to be heard to show cause why their water service should not be terminated for non-payment of their water bill. Mr. Gustafson reported that the hearing notice was given for each account on the list of proposed terminations. It was noted that no persons were present to be heard, and the public hearing was closed. Director Gigliotti then moved that: (i) the amount shown for each account on the list of service terminations is found to be correct, (ii) although notice of tonight's hearing was given to each person on the list, no one appeared, and (iii) water service is authorized be terminated to the accounts listed in accordance with the District's standard operating procedures; which motion was seconded by Director Wirasinghe and carried by unanimous vote.

Discussion was had concerning amending the District's rate order with regard to the increase in North Harris County Regional Water Authority pumpage fees. Director Wirasinghe moved that the District's rate order be amended, which motion was seconded by Director Miller and carried by unanimous vote. The Board directed the utility operator to place a notice of the rate order change in customer bills for the next two months.

Mr. Gustafson next reported that with regard to the valve survey, the operator will use a metal detector to locate valves that are not visible and will raise such valves to make them visible and operational. The Board requested that the operator have the location of the valves marked so that

they can easily be found in the future. Director Gigliotti suggested using GPS and documenting the location of each valve, and Mr. Jenkins said he would look into it. In response to a query of Mr. Gustafson, Board members approved an estimated cost of \$1,165.00 for the interconnect valve with Prestonwood Forest UD. It was noted that Bradley Jenkins had cost estimates for a generator for the District's wastewater treatment plant to present to the Board later in the meeting.

FOUR SEASONS PROPOSED DEVELOPMENT

Jeff Hartgrove and Partick Surman presented themselves to the Board and explained that they are requesting annexation and water and sanitary sewer service to an approximate 15 acre tract of land outside the District located on Cutten Road south of FM 1960. Mr. Hartgrove explained that the tract is proposed to be developed with an office warehouse, possibly with retail, and there are currently 27 mobile homes on the tract. He stated that the tract is currently served with a septic tank and public well. Discussion was had and President Monto explained the District's current water and wastewater capacity limits. Board members explained that if the developer is interested in moving forward, a feasibility study is required, as well as a cost deposit of between \$2,500 and \$3,000 along with a letter outlining the proposed development.

CONSTABLE MATTERS

Sergeant Hill introduced himself to the Board and stated that if anyone has questions or concerns regarding the Constable coverage and contract that they are welcome to contact him. He explained that Sergeant Keener has been moved to a different area. Some discussion was had to consider increasing the level of coverage to provide for two 100% Constables in the District. No action was taken on the matter at this time.

TAX MATTERS

It was reported that the District's proposed tax rate had been published as recommended at the Board's last meeting. President Monto then opened a public hearing concerning the proposed tax rate. It was noted that there were no persons present to be heard and President Monto closed the public hearing. Director Miller moved the adoption of an Order Levying Taxes for 2008 in the amount of \$0.33 per \$100 assessed valuation, comprised of \$0.24 for debt service and \$0.09 for maintenance and operation purposes. The motion was seconded by Director Wirasinghe and carried by unanimous vote. The Order as adopted is hereto attached.

ORDER REDEFINING DISTRICT'S BOUNDARIES

Director Gigliotti moved the adoption of an order redefining the District's boundaries and updating the official boundary map to include the annexation of the KMY Realty Investments 1.445 acre tract, which motion was seconded by Director Miller and carried by unanimous vote. The order as adopted is hereto attached.

Director Gigliotti then moved that an Amended District Information Form be authorized for execution reflecting the 2008 tax levy and the District's new boundaries, which motion was seconded by Director Miller and carried by unanimous vote.

ENGINEER'S REPORT

Bradley Jenkins submitted his report to the Board. He reported that he forwarded the construction contract documents to Mr. Dougherty for review for the sanitary sewer and paving repair at 13606 Champion Centre Drive. Mr. Jenkins next presented proposals for a portable generator for the District's lift station and wastewater treatment plant. Board members reviewed the proposals and some discussion was had. Mr. Jenkins next reviewed with the Board an annexation feasibility study his office prepared for a 12.08 acre tract of land.

UTILITY OPERATOR CONTRACT

Gus Gustafson presented a proposed amendment to the utility operator's contract. A review and discussion was had. Mr. Dougherty was directed to work with the operator to amend the contract to address overtime. At the conclusion of the review and discussion, Director Gigliotti moved that the proposed amendment with the changes discussed be approved, which motion was seconded by Director Miller and carried by unanimous vote.

FEMA GRANTS

President Monto informed the Board that a submission had been made to FEMA's Governor's Division of Emergency Management relating to the recent Hurricane Ike, and that he had executed such applications on the District's behalf for submission. Director Miller moved that the Board President's action in this regard be confirmed and ratified, which motion was seconded by Director Wirasinghe and carried by unanimous vote.

HOA LEASE

Some discussion was had concerning the proposed HOA lease amendment and changes requested by Ms. Buisson. The consensus was to include the small changes relating to furniture and meeting clean-up and to request that Ms. Buisson get a quote from Mike Kossow for construction of a monument sign, bulletin board and wheelchair ramp.

BOOKKEEPER MATTERS

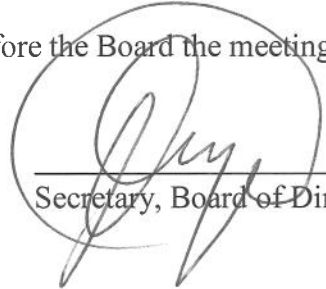
Claudia Redden reported that the District's Unclaimed Property Report had been filed with the Secretary of State's office prior to the filing deadline.

REGULAR REPORTS AND CONSENT AGENDA

It was noted that the reports of the attorney, bookkeeper, investment officer, and utility operator had been provided to Board members prior to the meeting and that Board members have reviewed such reports. Board members accepted the reports.

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

(SEAL)



Secretary, Board of Directors

- Attachments: Attorney's Report
General Fund Bills
Investment Officer's Report
Engineer's Report
Utility Operator's Report
Order Levying Taxes for 2008
Order Redefining District's Boundaries

COMMITMENTS FOR ACTION
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 191
MEETING OF OCTOBER 22, 2008

1. **ATTORNEY** to prepare letter of interest to the Green Medians group; place an item on next agenda concerning Cypress Cares; and revise utility operator contract amendment.

2. **UTILITY OPERATOR** to place a notice of the rate order change in customer bills for the next two months; locate valves and mark location; and work with Mr. Dougherty to revise utility operator contract amendment.