

MINUTES OF MEETING OF BOARD OF DIRECTORS  
November 8, 2007

THE STATE OF TEXAS  
COUNTY OF HARRIS  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 136

The Board of Directors of Harris County Municipal Utility District No. 136 (the "District") met in regular session, open to the public, at 4045 Deerfield Village Drive, Houston, Texas at 6:00 p.m. on November 8, 2007; whereupon the roll was called of the members of the Board, to wit:

Neil Polansky, President  
Jim Hewlett, Vice President  
Harry Price, Second Vice-President  
Jay Singleton, Secretary  
Barry Greer, Assistant Secretary

**Persons Attending.** All members of the Board were present except Director Greer. Also attending all or parts of the meeting were Ms. Cathy Falke of ECO Resources ("ECO"), operator for the District; Ms. Fran Matuska of FMatuska, Inc, bookkeeper for the District; Ms Michelle Guerero of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Mr. Robert Devillier of Turner Collie & Braden, Inc. ("TC&B"), engineers for the District.

**Call to Order.** The President called the meeting to order and, in accordance with notice posted pursuant to law, copies of Certificates of Posting of which are attached hereto as Exhibit "A," the following business was transacted:

**1. Minutes.** Proposed minutes of the meeting of October 11, 2007, previously distributed to the Board, were considered for review and approval. Upon motion by Director Price, seconded by Director Hewlett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of October 11, 2007.

**2. Comments from Residents.** There were no comments from resident taxpayers.

**3. Bookkeeper's Report.** The President recognized Ms. Matuska, who presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto as Exhibit "B." Ms. Matuska noted that year-to-date revenues are approximately \$14,000 under budget. Concerning expenses, she also noted that charges for the generator building had not been paid and the WHCRWA pumpage fee was lower due to lower water usage. Ms. Matuska also provided the Quarterly Investment Report.

Upon motion by Director Hewlett, seconded by Director Price, after full discussion and the question being put to the Board, the Board voted unanimously to accept

the Bookkeeper's Report, and to authorize payment of check nos. 6415 through 6434 the General Operating Fund in the amounts, to the persons, and for the purposes listed in the Bookkeeper's Report.

**4. Tax Assessor and Collector's Report.** The President recognized Ms. Guerero, who presented to and reviewed with the Board the Tax Assessor and Collector's Report, a copy of which is attached hereto as Exhibit "C." She reported that 99.4% of the 2005 taxes and 98.4% of 2006 taxes have been collected. She also presented the Affidavit Of Publication certifying that Notice of Public Hearing On Tax Rate had been published.

Upon motion by Director Singleton seconded by Director Hewlett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor and Collector's Report, to authorize payment of check nos. 1123 and 1126 from the Tax Account in the amounts, to the persons, and for the purposes listed in such report.

**5 Public Hearing on Tax Rate.** There were no comments from resident tax payers.

**6. Adopt Order For Setting Tax Rate, Levying Tax for 2007, and Approve Amended District Information Form.** Upon motion by Director Singleton, seconded by Director Hewlett, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Order setting the Tax Rate for 2007 and approving the amended District Information Form.

**7. Operations Report.** The President recognized Ms. Falke, who presented to and reviewed with the Board the Operations Report and Delinquent List, copies of which are attached hereto as Exhibit "D".

Ms Falke reported that during the month of October the water wells were inspected during each working day to ensure proper operation and supplied 17,186,000 gallons of water through the end of the month. The 4-month water accountability is 95%. She presented a correspondence from resident Anthony Longo requesting a billing adjustment. After reviewing the matter, the directors denied the request, noting that damage that resulted in a water loss occurred on the resident's side of the meter.

Ms. Falke noted that the portable generator had been moved to the new storage garage and the power to the garage would be installed within the next few days.

Upon motion by Director Hewlett, seconded by Director Price, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Operations Report, make necessary repairs, and terminate service to those accounts listed on the Delinquent List.,

**8. Assign Operating Contract to Southwest Water Company.** Upon motion by Director Price, seconded by Director Hewlett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the assignment of the operating contract to Southwest Water Company.

**9. Engineers Report.** The Vice President recognized Mr. Devillier, who presented and reviewed the Engineer's Report (Exhibit "E").

Concerning the surface water line connections, Mr. Devillier noted that the power line that parallels the entrance road appears not to be on a utility easement. He also noted that it will not be possible to have the connecting water line run through Randall's retention pond. He presented a drawing with layout of the lines and the meter station.

**10. Review SAMCO Leak Detection Proposal.** After discussing the need for and the cost effectiveness of doing the leak detection survey, the directors agreed that, with the accountability rate at 95%, no survey need be done.

**11. WHCRWA Meeting Report.** No activity.

**12. Newsletter Article.** Director Singleton will prepare next article.

**13. Clay Road Brick Wall.** Work on the repair of the wall is complete.

**14. Review Agenda Items for Next Meeting.** At this time there are no special items for the agenda other than approving the minutes of the special meetings in October and November.

**15. Discuss consultant performance and contracts.** No action taken.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

The above and foregoing minutes were passed and approved by the Board of Directors on December 13, 2007.

\_\_\_\_\_  
Vice President, Board of Directors

ATTEST:

\_\_\_\_\_  
SECRETARY, BOARD OF DIRECTORS

(DISTRICT SEAL)