

MINUTES OF MEETING
BOARD OF DIRECTORS

December 23, 2008

THE STATE OF TEXAS

COUNTY OF HARRIS

CHARTERWOOD MUNICIPAL UTILITY DISTRICT

The Board of Directors (the "Board") of Charterwood Municipal Utility District (the "District") met in regular session, open to the public, at Comfort Suites/Willowbrook, 21222 Tomball Parkway, Houston, Texas, a meeting place inside the boundaries of the District, on Tuesday, December 23, 2008, at 7:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Richard G. Howe	-	President
Jean Aldredge	-	Secretary
Tommy Kelley	-	Assistant Secretary/Treasurer
Tom Thomson	-	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

Also attending the meeting were Ken Love with Municipal District Services, the District's Operator ("Operator"); Mark Adam with AEI Engineering, Inc., the District's Engineer ("Engineer"); Wendy Austin of District Data Services, Bookkeeper for the District ("Bookkeeper"); Lori Crawford, Legal Assistant, of Coats, Rose, Yale, Ryman & Lee, P.C., attorneys for the District ("Coats/Rose"); and Grace Jackson, a resident of the District.

WHEREUPON, the meeting was called to order at 7:00 p.m. The posted meeting notices are attached hereto.

APPROVAL OF MINUTES

The Board first considered approving the minutes of the November 25, 2008 Board meeting. Based on a motion by Director Aldredge which was seconded by Director Kelley, the Board voted unanimously to approve the minutes as presented.

PUBLIC COMMENT

The Board noted that Grace Jackson, a resident of Woodbend Pines, was in attendance.

APPRAISER REPORT

The Board deferred any action on this item.

BOOKKEEPER'S REPORT

The Board reviewed the bookkeeping report for the current reporting period including the District's receipts, expenditures, capital projects and debt service funds, a copy of which is attached. Following discussion regarding bookkeeping matters, and based on a motion by Director Kelley which was seconded by Director Thomson, the Board voted unanimously to approve the Bookkeeper's report as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board next reviewed the TAC report for the period ending November 30, 2008, a copy of which is attached. The Board noted that 98% of the 2007 taxes have been collected and 1.9% of 2008 taxes have been collected to date. She reported on receipts and disbursements from the tax account and reviewed historical tax data.

Following a full review of the TAC report, and based on a motion by Director Thomson which was seconded by Director Aldredge, the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related expenses.

RENEW RENTAL AGREEMENT WITH COMFORT SUITES

The Board next reviewed a proposal and considered renewing the District's Rental Agreement with Comfort Suites Willowbrook for the exclusive use of the conference room from 6:00 p.m. until 10:00 p.m., on the 4th Tuesday of the month, beginning January 27, 2009 and continuing thereafter up to and including December 22, 2009. Following review and discussion, and based on a motion by Director Thomson which was seconded by Director Aldredge, the Board voted to approve the Rental Agreement as presented.

ENGINEER'S REPORT

The Board recognized Mr. Adam who reviewed and discussed the Engineer's Report, a copy of which is attached. Mr. Adam first noted Pay Estimate No. 17 in the amount of \$72,600.00 from Industrial TX Corp. for the STP expansion project, and recommended approval for payment. Mr. Adam stated that the structural design for the proposed Wastewater Treatment Plant perimeter fence was completed and a bid from Imperial Masonry Ltd. has been received in the amount of \$137,960.00.

Mr. Adam updated the Board on the planned improvements at the Water Supply Plants. He reminded the Board that the contract for the replacement of the hydro-pneumatic tank at Water Supply Plant No. 1 was awarded to Gemini Contracting Services and has been reviewed and is ready for execution by the District. The Water Supply Plants chloramines projects final design is complete and plans have been submitted to the agencies for review and approval.

Mr. Adam next discussed the feasibility report concerning Klein ISD's request for service from the District to serve the proposed High School No. 5 campus complex. He

stated that Klein ISD is still working with WCID No. 119 but would like to continue discussions with the District.

Following a full discussion of the Engineer's Report, and based on a motion by Director Kelley which was seconded by Director Thomson, the Board voted unanimously to: 1.) approve the Engineer's report as presented; 2.) approve payment of Pay Estimate No. 17 in the amount of \$72,600.00 to Industrial TX Corp. for the STP expansion project; and 3.) deferred action on the proposed Wastewater Treatment Plant perimeter fence.

CONSIDER APPROVING RIGHT OF ENTRY AND POSSESSION AND RIGHT OF WAY AND EASEMENT AGREEMENT

Upon motion by Director Aldredge, seconded by Director Kelley, the Board by unanimous vote approved a Right-of-Entry Agreement which gives permission to the North Harris County Regional Water Authority to construct lines within the District water plant site.

OPERATOR'S REPORT

Mr. Love presented the Operations Report for November and updated the Board on collections, water production and accountability. He also reviewed the list of accounts scheduled for termination due to non-payment. The Board concurred to defer any terminations of service until after the holidays.

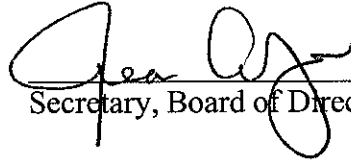
Following discussion of operations matters, and based on a motion by Director Kelley which was seconded by Director Aldredge, the Board voted unanimously to approve the Operator's report as submitted.

COMMENTS FROM DIRECTORS

The Board noted no additional comments.

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

PASSED, APPROVED AND ADOPTED this 27th day of January, 2009.


Secretary, Board of Directors

(DISTRICT SEAL)

