

MINUTES OF MEETING
BOARD OF DIRECTORS

January 27, 2009

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, January 27, 2009, 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"); Robin Goin of Bob Leared Interests, the District's Tax Assessor/Collector ("TAC"); David Nussbaum of V & W Partners, Ltd., landowner and developer in the District ("V&W"); Tim Green, Attorney and Beth Van Doren, 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 7:20 p.m. The posted meeting notices are attached hereto.

APPROVAL OF MINUTES

The Board first considered approving the minutes of the December 23, 2008 Board meeting. Based on a motion by Director Aldredge which was seconded by Director Thomson, 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 Thomson which was seconded by Director Kelley, 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 December 31, 2008, a copy of which is attached. The Board noted that 99% of the 2007 taxes have been collected and 47.9% 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 Aldredge which was seconded by Director Kelley, the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related expenses.

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. 18 in the amount of \$73,000.00 from Industrial TX Corp. for the STP expansion project, and recommended approval for payment. Mr. Adam stated that he has received approval of the waiver for the buffer zone requirements from the TCEQ. He noted 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. This particular bid was for an eight foot fence. Noting that there has been a request for the fence to be ten feet, it was suggested that the fence be re-bid at ten feet in order to determine a price difference.

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. A preconstruction meeting was held on Tuesday, January 30, 2009. The contractor has been authorized to proceed with the project. The Water Supply Plants chloramines projects final design is complete and plans have been approved by the TCEQ.

The Board next considered authorizing the Engineer to advertise for bids for the chlorination system. Based on a motion by Director Aldredge which was seconded by

Director Thomson, the Board voted unanimously to authorize the Engineer to advertise for bids for the project.

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.

Next, Mr. Adam presented a copy of the January 2009 monthly inspection report for this facility, along with Pay Request No. 18, from Storm Water Solutions in the amount of \$420.00. Approval of payment was recommended.

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. 18 in the amount of \$73,000.00 to Industrial TX Corp. for the STP expansion project; and 3.) authorize bidding the proposed Wastewater Treatment Plant perimeter fence at ten feet; and 4.) approve Pay Request No. 18 in the amount of \$420.00 for Storm Water Solutions.

CONSIDER APPROVING REIMBURSEMENT TO SMITH COMMERCIAL CONTRACTING

Upon motion by Director Aldredge, seconded by Director Thomson, the Board by unanimous vote approved payment of reimbursement to Smith Commercial Contracting. Following review and discussion, and based on a motion by Director Thomson which was seconded by Director Aldredge, the Board voted unanimously to authorize Coats/Rose to prepare an application to the TCEQ for use of surplus funds for Phil Baker which will be submitted with the Smith Commercial Contracting application.

OPERATOR'S REPORT

Mr. Love presented the Operations Report for December and updated the Board on collections, water production and accountability. He also reviewed the list of accounts scheduled for termination due to non-payment.

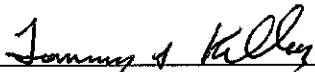
Following discussion of operations matters, and based on a motion by Director Kelley which was seconded by Director Aldredge, the Board voted unanimously to approve the Operator's report as submitted.

COMMENTS FROM DIRECTORS

The Board scheduled a special meeting for February 9, 2009 and requested Ms. Van Doren coordinate use of the meeting room.

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

PASSED, APPROVED AND ADOPTED this 24th day of February, 2009.



Secretary, Board of Directors
Asst.

(DISTRICT SEAL)

