

MINUTES OF MEETING
BOARD OF DIRECTORS

April 28, 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, April 28, 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	-	Vice President
Grace Jackson	-	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"); Kristen Scott of Bob Leared Interests, the District's Tax Assessor/Collector ("TAC"); Wendy Austin of District Data Services, Bookkeeper for the District ("Bookkeeper"); Michael Murr of MURR, Inc., the District's landscape architect ("MURR"); and Tim Green, Attorney and Beth Van Doren, Legal Assistant, of Coats, Rose, Yale, Ryman & Lee, P.C., attorneys for the District ("Coats/Rose")

WHEREUPON, the meeting was called to order at 7:15 p.m. The posted meeting notices are attached hereto.

APPROVAL OF MINUTES

The Board first considered approving the minutes of the March 16 and March 24, 2009 Board meetings. Based on a motion by Director Jackson which was seconded by Director Aldredge, the Board voted unanimously to approve the minutes of March 16 and March 24, 2009, as presented.

PUBLIC COMMENT

No members of the public were present to address the Board.

RECONSTITUTE OFFICERS

The Board was reminded that a Board consists of a President, Vice President, Secretary, Treasurer and two Assistant Secretaries. Whereupon, a motion was made by Director Aldredge, seconded by Director Thomson and unanimously approved by the Board, establishing the offices listed below and electing the following Directors to such offices:

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

BOOKKEEPER'S REPORT

The Board recognized Ms. Austin who 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 Jackson, the Board voted unanimously to approve the Bookkeeper's report as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Scott who reviewed the TAC report for the period ending March 31, 2009, a copy of which is attached. The Board noted that 94.9% of the 2008 taxes have been collected and 99.10% of 2007 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 Jackson, the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related expenses.

DEVELOPER'S REPORT

No Developer's Report was 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. 20 in the amount of \$217,944.89 from Industrial TX Corp. for the STP expansion project, and recommended approval for payment.

AEI contacted Industrial TX Corp in regard to changing the proposed interior brick fencing to match the perimeter fence being constructed in cooperation with V&W Partners. After further discussion, the Board requested Mr. Adam to check the availability of the pewter color brick.

The contractor has proceeded with the televising and repairs for the Sanitary Sewer Rehabilitation Project. BC Liner has submitted Pay Estimate No. 3 and final payment in the amount of \$14,364.90. Mr. Adam recommended approval for payment.

With regard to the dry detention pond, Mr. Adam reviewed the monthly inspection report and recommended approval of pay estimate No. 21 for maintenance work by Storm Water Solutions, in the amount of \$420.00. Approval of payment was recommended.

Following a full review and discussion of engineering and construction matters, and based on a motion by Director Thomson which was seconded by Director Aldredge, the Board voted unanimously to a.) approve the Engineer's report; b.) approve the request for payment in the amount of \$217,944.89 to TX Corp. for the STP expansion project; c.) approve Pay Estimate No. 3 and final from BC Liner in the amount of \$14,364.90 for repairs to the Sanitary Sewer Rehabilitation Project; and d.) approve Pay Estimate No. 21 from Storm Water Solutions in the amount of \$420.00 for maintenance of the detention pond.

REPORT FROM MICHAEL MURR

Mr. Murr reported to the Board that the trees in front of the site along Cutten Road have been compromised. Damage to these trees has been in the form of root exposure or the piling of excavated soil around the base of the tree, which appears to have occurred during the Water Authority's construction project. After further discussion, the Board requested the attorney contact the Water Authority and request replacement and/or removal of these trees.

OPERATOR'S REPORT

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

Mr. Love reviewed a violation notice the District has received from Harris County Public Health & Environmental Services. He presented a response letter and explained a contractor working on the plant had caused a ground fault circuit to trip which interrupted the power supply to the transducer which supplies a signal to drive the proportional feed chlorinator and flow chart. The contractor was instructed not to utilize this power source in order to prevent future interruptions of power to the chlorination feed equipment and controls.

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

Mr. Love requested approval of the Consumer Confidence Report. Following discussion, and based on a motion by Director Jackson which was seconded by Director Thomson, the Board voted unanimously to approve the Consumer Confidence Report and to list Comfort Suites as the District meeting place.

DISCUSS ACQUISITION OF PROPERTY

The Board concurred to table this matter until the next special Board meeting.

DISCUSS SERVICE AGREEMENT WITH KLEIN ISD

The Board concurred to table this matter until the next special Board meeting.

COMMENT FROM DIRECTORS

Director Howe requested a special strategic planning session in order to prioritize upcoming projects and plan out accordingly. Director Howe requested Ms. Van Doren coordinate use of the meeting room.

SECURITY REPORT

The Board briefly addressed the recent Security Report. No action was necessary.

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

PASSED, APPROVED AND ADOPTED this 26th day of May, 2009.


Secretary, Board of Directors

(DISTRICT SEAL)

