

MINUTES OF MEETING
BOARD OF DIRECTORS

December 28, 2010

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 designated meeting place inside the boundaries of the District, on Tuesday, December 28, 2010, 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"); Wendy Austin of District Data Services, Bookkeeper for the District ("Bookkeeper"); Eric Comeau of Bob Leared Interests, the District's Tax Assessor/Collector ("TAC"); Michael Murr of Murr Inc., the District's landscape architect ("Murr"); Dick Weiler of R.S. Weiler Associates, architect for the District; Officer Calvin Spillman of Precinct 4, Harris County Constable's Office; and Timothy

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 7:10 p.m. The posted meeting notices are attached hereto as Exhibit "A".

APPROVAL OF MINUTES OF MEETINGS OF NOVEMBER 8 AND NOVEMBER 23, 2010

The Board reviewed the minutes from the meetings of November 8 and 23, 2010, previously distributed to the Board. Upon a motion made by Director Jackson and seconded by Director Thomson, with Director Howe abstaining from the vote, the Board approved the minutes of the meetings of November 8 and November 23, 2010.

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 hereto as Exhibit "B".

Following discussion regarding bookkeeping matters, and based on a motion by Director Jackson which was seconded by Director Aldredge, the Board voted unanimously to approve the Bookkeeper's report as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Mr. Comeau who reviewed the TAC report for the period ending November 30, 2010, a copy of which is attached hereto as Exhibit "C", noting that 4.9% of the 2010 taxes and 98.57% of the 2009 taxes have been collected to date. Mr. Comeau reported on receipts and disbursements from the tax account and reviewed historical tax data. Lastly, Mr. Comeau asked whether the Board wanted to order an aerial map of the District.

Following a full review of the TAC report, and based on a motion by Director Aledredge which was seconded by Director Kelley, the Board voted unanimously to approve the TAC's Report and authorize payment of tax-related expenses and to authorize the TAC to order an aerial map of the District.

ENGINEERS REPORT

The Board recognized Mr. Adam who reviewed and discussed the Engineer's Report, a copy of which is attached hereto as Exhibit "D".

First, Mr. Adam notified the Board that Gemini Contracting Services has completed the chloramines conversion project. The District is scheduled to receive surface water on January 3, 2011. Based on a motion by Director Kelley, seconded by Director Aledredge, the Board voted unanimously to authorize the engineer to test additional samples on raw water and to authorize the use of an additional \$5,000 in regards to the conversion project.

Next, Mr. Adam informed the Board that Klein ISD had submitted a request for removal of a fire hydrant along the new extension of Cutten Road. The request is being made on behalf of landowner Van Straelen. Upon a motion made by Director Kelly, seconded by Director Thomson, the Board voted unanimously to authorize the capping of the fire hydrant at a cost not to exceed \$500.00.

Mr. Adam reviewed the monthly inspection report from Storm Water Solutions and recommended approval of pay estimate No. 5 in the amount of \$100.00 for the monthly inspection of the dry detention pond.

Finally, Mr. Adam updated the Board on the status of the requested easements along Pillot Gully.

Following a full review and discussion of engineering and construction matters, and based on a motion by Director Jackson which was seconded by Director Aldredge, the Board voted unanimously to a.) approve the Engineer's report; b.) authorize \$5,000 in additional funds for expanded water testing at the conversion project; c.) authorize the engineer to cap the fire hydrant on Mr. Van Stralen's property at a cost not to exceed \$500.00; and d.) approve Pay Estimate No. 5 from Storm Water Solutions in the amount of \$100.00 for maintenance of the detention pond.

OPERATOR'S REPORT

Mr. Love presented the Operations Report for November and updated the Board on collections, water production and accountability, a copy of which is attached hereto as Exhibit "E". He also reviewed the list of accounts scheduled for termination due to non-payment.

Mr. Love noted that the total connection count for the District in November, 2010 is 1254. Mr. Love further noted that there was 97.3% accountability for water pumpage during the current reporting period, bringing the four month average to 90.4%.

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

There being no further business to come before the Board, upon a motion duly made, seconded and approved unanimously, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 25th day of January, 2011.


Secretary, Board of Directors

(DISTRICT SEAL)

