

MINUTES OF MEETING OF BOARD OF DIRECTORS
December 16, 2010

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 132 §

The Board of Directors (the “*Board*”) of Harris County Municipal Utility District No. 132 (the “*District*”) met in special session, open to the public, at Rosemont Assisted Living Center, 6450 Kings Park Way, Humble, Texas, 77346, on December 16, 2010 at 6:00 p.m.; whereupon the roll was called of the Board, to-wit:

Bobby Haney, President
Tim Stine, Vice President
Don House, Secretary
Jerrel Holder, Assistant Secretary\
Lloyd Lentz, Director

All members of the Board were present except Director House. Also attending all or parts of the meeting was Ms. Amy Zapletal of Brown & Gay Engineers, Inc. (“*Brown & Gay*”), engineer for the District.

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

1. **Review and approve change orders for water plant expansion and authorize payments related to same.** Ms. Zapletal presented to and reviewed with the Board the Engineer’s Report, a copy of which is attached hereto as Exhibit “B.”

Ms. Zapletal reported that Severn Trent (“*ST*”), Brown & Gay and Schier Construction met ADT at the site on Friday, November 19, 2010 to discuss relocation of the existing security system control. Ms. Zapletal stated that ADT charged a one-time fee of \$480 for the relocation and will charge a future annual fee of \$51.84 for the equipment. Ms. Zapletal presented the “Rider for Additional Equipment and/or Services,” a copy of which is attached to the Engineer’s Report. Ms. Zapletal stated that the panel was relocated by ADT on December 6, 2010 with the assistance of ST.

Ms. Zapletal noted that Change Order No. One, a copy of which is attached to the Engineer’s Report, was approved at the last Board meeting.

Ms. Zapletal reviewed with the Board Change Order No. Two, a copy of which is attached to the Engineer’s Report. Ms. Zapletal noted that this Change Order is in the amount of \$11,900 and is for the relocation and temporary operations of the existing polyphosphate system (and fluoride), for installation of a new eye wash station and demolition of the existing station, and demolition of a former hydro-pneumatic tank foundation in conflict with the proposed work.

Ms. Zapletal reported that to date, 32 submittals have been received and 31 have been reviewed by Brown & Gay.

Ms. Zapletal then reviewed with the Board the status of other projects in the District, as detailed in the Engineer's Report and which follows in substantially the form it was presented

Project Updates :

Sanitary Sewer Rehabilitation, Phase IV:

Pay Estimate No. 8 in the amount of \$113,743.79 from Insituform Technologies was reviewed by Brown & Gay and approved for payment. Funds totaling \$103,001.85 have been withheld as retainage from payments to date. The check for such payment was included in the November Bookkeeper's Report. The updated TCEQ inspection was held on December 8, 2010, and the contractor will address the two punchlist items.

Diversion Swale and Berm for Kings River Estates, Section Four:

CenterPoint Energy has moved its 4-inch electrical cable. The 1-inch unidentified cable is still under research by the contractor. An additional 6-inch conduit was claimed by CenterPoint Energy on December 10, 2010. Brown & Gay is awaiting requested feedback on the timing of relocation.

Pay Estimate No. 3 in the amount of \$19,120.93 from C.E. Barker, Ltd. was reviewed by Brown & Gay and recommended for approval and payment. Funds totaling \$13,844.11 have been withheld from payments to date. The check for this payment was included in the November Bookkeeper's Report.

Upon motion by Director Stine, seconded by Director Lentz, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize payment of Change Order No. 2 from Schier Construction Company, Inc. in the amount of \$11,900 in connection with the Water Plant Expansion, and to approve and authorize execution of the Rider for Additional Equipment and Services from ADT in connection with the relocation of the existing security system at the water plant.

2. **Other matters.** There were no other matters to come before the Board at this time.

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

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The above and foregoing minutes were passed and approved by the Board of Directors on
January 20, 2011.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)