

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 82

November 23, 2009

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 82 (the "District") met in regular session, open to the public, on November 23, 2009, outside the boundaries of the District, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, and the roll was called of the members of the Board:

Gary Sundstrom	President
Rick Gable	Vice President
Don Hays	Secretary
Matthew Hoffpauir	Assistant Vice President
Jerry Chesnutt	Assistant Secretary

and all of the above were present.

Also present at the meeting were David Wright and Dennis Wright of TNG Utility Corp. ("TNG"); Vickey Sullivan and David Ferrier of Equi-Tax, Inc.; Mike Hunt of Aurous Properties, Inc.; Erik Spencer of Van De Wiele & Vogler, Inc. ("Van de Wiele"); Anthea Moran of First Southwest Company; Anna Izaguirre of McCall Gibson Swedlund and Barfoot, PLLC; Sergeant David Escobar of the Harris County Precinct 4 Constable's office; and Lynne Humphries and Sharon Covan of Allen Boone Humphries Robinson LLP ("ABHR").

APPROVE MINUTES

The Board considered approving the minutes of the October 26, 2009, meeting and the November 3, 2009, special meeting. After review and discussion, Director Chesnutt moved to approve the minutes of the meetings. Director Gable seconded the motion, which passed unanimously.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

GARBAGE SERVICE

Ms. Covan distributed the Work Order Report, a copy of which is attached. Director Gable noted that the two small garbage dumpsters at the pool had not yet been picked up.

OPERATION OF DISTRICT FACILITIES

Mr. David Wright presented the operator's report, a copy of which is attached. He reviewed the water production report and stated that water consumption during the month of September was 16,549,000 gallons with 17,492,000 gallons pumped. Mr. David Wright said that water accountability was 96.04% during October and that there were no excursions at the wastewater treatment plant. Mr. David Wright then reviewed the billing and collection report. He said that 14% of the District's customer payments were made on-line during October. Mr. David Wright said that eleven new taps were installed during the month of October.

Mr. David Wright said that a copy of a Service Agreement from Optio Solutions ("Optio") for the collection of delinquent utility accounts has been provided to ABHR for review. Ms. Humphries said that the Optio Agreement provides for the District to indemnify Optio and the District does not have the authority to do this. She said that Optio has not agreed to the contract revisions requested by ABHR's attorney and TNG may need to find a different company to provide the collection services.

The Board discussed the peak flows and permit parameters for the wastewater treatment plant. Mr. David Wright said that he will provide additional information regarding the peak flows at the next Board meeting. Discussion ensued regarding the cost of inflow preventors for the District's manholes used to stop infiltrations. The Board discussed having a manhole survey performed. After discussion, the Board authorized TNG to perform a survey of the District's manholes to determine how many inflow preventors are needed.

Mr. David Wright discussed the Texas Commission on Environmental Quality (the "TCEQ") Agreed Order and the administrative penalty. Mr. David Wright said that has not received any communications from the Texas Department of Parks and Wildlife.

The Board reviewed the water production report, the Harris-Galveston Coastal Subsidence District report and the North Harris County Regional Water Authority ("NHCRWA") report.

Mr. David Wright distributed and reviewed the Environmental Protection Agency Groundwater Rule reference guide on compliance monitoring and triggered and representative monitoring, a copy of which is attached. The Board next reviewed the esplanade water usage report and the builder damage report, a copy of which is attached to the operator's report. Mr. David Wright said that the letter to builders regarding changes to builder deposits has been revised and mailed. Director Hoffpauir noted that the civic center showed no water usage during November. Mr. David Wright said that he will investigate the civic center's water usage.

Mr. David Wright reviewed the list of action items, a copy of which is attached to the engineer's report, from the November 3, 2009, tour of the District's facilities. Director Hoffpauir noted that one of the blowers at the wastewater treatment plant is not working. Mr. David Wright said that he will investigate this matter and add it to the list of action items.

Mr. David Wright said that the homeowner at 24210 Lone Elm Drive contacted a plumber regarding a leak and the plumber determined that the leak was in the District's line. He said that the homeowner is requesting reimbursement of the \$100.00 plumber's fee. After review and discussion, the Board determined to deny reimbursement to the homeowner for the plumber's fee, because the homeowner should have contacted the District's operator before calling a plumber.

Mr. David Wright said that the homeowner at 2415 Spring Dusk contacted the District regarding a problem with a sanitary sewer line. He said that TNG investigated and inspected manholes up and down stream and did not locate a problem. Mr. David Wright said that the homeowner then contacted a plumber and had her line televised. He said that the plumber did find a problem with the main line and contacted TNG. Mr. Wright said that TNG replaced a section of the main line, remade the tap and backfilled the hole. He said that the homeowner provided the plumber's invoice to TNG and is requesting reimbursement of \$1,250 for the work performed by the plumber. After review and discussion, the Board agreed to reimburse the homeowner \$1,250 for the repairs, since the work was to a District line.

The Board reviewed the utility cut-off list. After review and discussion, Director Chesnutt moved to approve the operator's report. Director Gable seconded the motion, which passed by unanimous vote.

CONDUCT HEARING ON TERMINATION OF WATER SERVICE

The Board conducted a hearing on the termination of water service. Mr. David Wright reported that the customers on the attached termination list for the month were delinquent and had been given notification of the opportunity to appear before the Board of Directors to explain, contest, or correct the bill and to show reason why service should not be terminated because of nonpayment, all as required by the District's Amended Rate Order. Director Chesnutt moved that, because the customers on the attached list were not present at the meeting, nor had presented any statement on the matter, said utility services should be terminated in accordance with the District's Amended Rate Order, if payment is not received. Director Gable seconded the motion, which passed unanimously.

SECURITY

Sergeant Escobar reviewed the October security patrol report, a copy of which is filed in the District's official records. Discussion ensued regarding the activities at the Unity Children's Home. The Board expressed concerns about the considerable time that the District's deputies spend responding to security issues at the home. In

response to question, Ms. Humphries stated the District could write a letter expressing its concern about the number of times the Constable has had to respond to calls at this location. Mr. David Wright said that he will consult with Representative Bill Callegari regarding notification to the proper authorities about the activities at the home.

Director Chesnutt moved to approve the Contract for Law Enforcement Services for 2010, direct that the Contract be filed appropriately and retained in the District's official records and authorize ABHR to draft a letter as discussed. Director Gable seconded the motion, which passed by unanimous vote.

DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2007 BONDS

Ms. Izaguirre distributed and reviewed a draft of the developer reimbursement report, a copy of which is attached, for partial reimbursement to Lazy Sun I, LLC ("Lazy Sun") from the District's Series 2007 Bonds. Ms. Humphries said that the District's financial advisor has computed the percentage of reimbursement owed to Lazy Sun based on the taxable value constructed in the District at this time. She said that developer interest was cut off as of the date of the 2007 bond sale and no further interest will be paid. Ms. Humphries said that the developer has until July 24, 2010, three years from the 2007 bond sale when the District had funds available, to request reimbursement of the remaining funds based on additional taxable value constructed in the District. She said that the Internal Revenue Service has regulations that provide for the District to expend bond funds within three years.

Mr. Spencer said that Lazy Sun also is owed reimbursement for its share of the offsite storm sewer facilities in accordance with the Financing and Reimbursement Agreement. He said that the offsite storm sewer facilities serve other properties and that this is not tied to taxable value constructed in the District. Ms. Moran performed the calculations and said that the reimbursement to Lazy Sun for the Tiffany Meadows underground utilities and engineering and Lazy Sun's share of the offsite storm sewer facilities is \$787,036.56.

After review and discussion, Director Chesnutt moved to approve the developer reimbursement audit, subject to final revisions. Director Gable seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING

Mr. Ferrier presented the bookkeeper's report, a copy of which is attached, the investment report and surplus funds report and reviewed the bills presented for payment. Mr. Ferrier said that a footnote has been added to the general operating fund report stating that the customer deposits are non-interest bearing.

The Board reviewed the Capital Projects Fund report and requested that the portion of the balance of the Series 2007 funds attributable to Tiffany Meadows be moved to a separate report. Ms. Moran said that this includes \$787,036.56 approved

today for reimbursement to Lazy Sun and the remaining \$203,702.44 eligible to be disbursed upon completion of additional taxable value constructed in the District.

Mr. Ferrier reviewed the Surplus Funds report. The Board asked Mr. Ferrier to track which projects the surplus funds are allocated for.

After review and discussion, Director Chesnutt moved to approve the bookkeeper's report and to authorize disbursement of the 2007 Bond proceeds to Lazy Sun as provided for in the audit and calculations by the financial advisor. Director Gable seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTIONS

Ms. Sullivan reviewed the tax assessor/collector's report and the bills presented for payment. Ms. Sullivan asked if the E-Check agreement had been reviewed by ABHR. Ms. Humphries said that Jessica Holoubek is still working with Sage Payment Solutions on the agreement. After review and discussion, Director Hoffpauir moved to approve the tax assessor/collector's report. Director Chesnutt seconded the motion, which passed by unanimous vote. A copy of the tax assessor/collector's report is attached.

DELINQUENT TAX REPORT

There was no report from Perdue, Brandon, Fielder, Collins & Mott, L.L.P.

RESOLUTION CASTING BALLOT FOR THE ELECTION OF A PERSON TO THE BOARD OF DIRECTORS OF THE HARRIS COUNTY APPRAISAL DISTRICT

The Board considered adopting a Resolution casting its ballot for a director for a position on the Board of Directors of the Harris County Appraisal District. After discussion, Director Gable moved to adopt the Resolution Casting Ballot for Election to the Board of Directors of the Harris County Appraisal District, to cast the District's vote for Glenn Peters and direct that the Resolution be filed appropriately and retained in the District's official records. Director Chesnutt seconded the motion, which passed by unanimous vote.

ENGINEERING

Mr. Spencer presented the engineering report, a copy of which is attached.

EASEMENTS AND DEEDS, CONSENTS TO ENCROACHMENT, UTILITY COMMITMENTS

The Board considered accepting a sanitary sewer easement from Judy Allen and Diane Ley Espinoza. Mr. Spencer said that they requested that indemnity language be added to the easement. Ms. Humphries said that the District does

not have the authority to provide the indemnification, but a statement could be added that the District will be responsible for acts or incidents on the easement tract incurred due to the District's use of the easement.

BRECKENRIDGE FOREST NORTH, SECTION 2

Mr. Spencer stated that the Breckenridge Forest North, Section 2 site is stabilized and that the storm water pollution prevention contract is on hold until further development.

BIRNAMWOOD DRIVE EXTENSION TO SERVE ELEMENTARY SCHOOL

Mr. Spencer reported on the pollution prevention contract. He recommended for approval Pay Estimate No. 12 and Final in the amount of \$775.00 to Environmental Allies and recommended that the Board accept the project.

BRECKENRIDGE PARK (WOODMERE DEVELOPMENT)

Mr. Spencer reported on the development of Breckenridge Park. He said that the construction of water, sewer and drainage facilities and storm water pollution prevention for Breckenridge Park are on hold.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISING FOR BIDS FOR CYPRESSWOOD HEIGHTS LIFT STATION

Mr. Spencer said that plans for the Cypresswood Heights lift station including a natural gas bypass pump have been submitted to regulatory agencies for review.

WATER, FORCE MAIN AND DRAINAGE TO SERVE CYPRESSWOOD HEIGHTS DRIVE AND SCHOOL SITE

Mr. Spencer said that Costello, Inc. is designing the water, sewer and drainage facilities for the 400 acre tract including the water line, sanitary force main, and storm sewer for the entrance road to the Spring Independent School District ("Spring ISD") site. He said that agency comments are being addressed and he is waiting for revised plans from Costello.

BIRNAMWOOD AND CYPRESSWOOD WATERLINES AND EXTENSIONS AND CYPRESSWOOD INTERCONNECT; EMERGENCY WATER INTERCONNECT WITH POST WOOD MUNICIPAL UTILITY DISTRICT AND TATTOR ROAD MUNICIPAL DISTRICT

Mr. Spencer said that the Birnamwood water line extension plans have been approved and that agency comments on the Cypresswood water line interconnect are being addressed. Mr. Spencer said that the water meter easement has not been received from Spring ISD. Mr. Spencer said that a draft of the Emergency Water Supply Agreement with Post Wood Municipal Utility District ("Post Wood") and Tattor Road Municipal District ("Tattor Road") has

been reviewed by Tattor Road and Post Wood and their comments have been addressed. Director Hays said that the operators for the District, Tattor Road and Post Wood met to discuss the Interconnect Agreement. He said that a number of changes to the Agreement were proposed and he has forwarded this information to Ms. Covan. Ms. Humphries said that the Board has previously authorized the engineer to advertise this project for bids.

WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT

Mr. Spencer discussed the proposed improvements to the wastewater treatment plant. He said that notification will be provided to the TCEQ that the District intends to use approved surplus funds for this project. Mr. Spencer said that the bid documents are being prepared.

WASTEWATER TREATMENT PLANT PERMIT

Mr. Spencer said that the draft wastewater treatment plant permit has been received from the TCEQ and the second notice of the permit application will be published.

BRECKENRIDGE FOREST LIFT STATION AND WATER PLANT NO. 3 GENERATORS AND EMERGENCY BYPASS PUMP

Mr. Spencer said that plans for the Breckenridge Forest lift station standby pump and water plant no. 3 generator have been approved. He requested authorization to advertise for bids. Mr. Spencer said that the TCEQ will be notified of the District's intent to use approved surplus funds for this project.

Mr. Spencer requested authorization to solicit bids to cut swales to improve drainage where the offsite sanitary sewer lines run to the sewage treatment plant. He said that the area holds water.

CONNECTION AND CAPACITY UPDATE

Mr. Spencer stated that there are 2,828 active single-family residential water connections in the District.

DESIGN, CONSTRUCTION AND DEVELOPMENT IN THE DISTRICT

Mr. Hunt reported on development in the District.

There were no further engineering matters for discussion. After review and discussion, and based on the engineer's recommendation, Director Hays moved to: 1) authorize acceptance of the sanitary sewer easement; 2) approve Pay Estimate No. 12 and Final in the amount of \$775.00 to Environmental Allies for the Birnamwood Drive extension utilities; 3) approve the plans and specifications and authorize the engineer to advertise for bids for the Breckenridge Forest lift station standby pump and water plant no. 3 generator; 4) authorize the engineer

to solicit bids to cut swales to improve drainage where the offsite sanitary sewer lines run to the sewage treatment plant; and 5) accept the engineer's report. Director Gable seconded the motion, which passed by unanimous vote.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

Director Gable reported on the NHCRWA. Ms. Humphries distributed a comparison of costs charged by the three regional water authorities, which was prepared by the North Fort Bend Water Authority.

WEB SITE

There was no report on the web site.

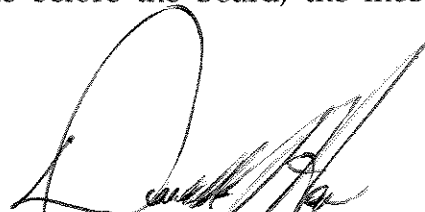
ACTION TAKEN DURING THE MONTH

The Board reviewed the actions taken during the month.

DIRECTORS AND DISTRICT CONSULTANT REPORTS ABOUT DISTRICT OPERATIONS

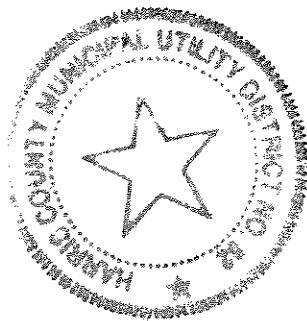
There were no further reports.

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



Secretary, Board of Directors

(SEAL)



ACTION LIST

1. Attorney will review the Optio Solutions Service Agreement.
2. Republic Waste will pick up small containers at the pool.
3. TNG will perform manhole survey.
4. TNG will investigate water usage by the civic center.
5. Mr. David Wright will discuss Unity Children's Home with Representative Callegari.
6. TNG will investigate the blower at the wastewater treatment plant.
7. Bookkeeper will track the surplus funds projects.

LIST OF ATTACHMENTS

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