

MINUTES OF MEETING OF THE
NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY

February 26, 2001

The Board of Directors (the "Board") of the North Harris County Regional Water Authority (the "Authority") met in special session, open to the public, at 7:00 p.m. on the 26th day of February, 2001, at the offices of the Authority, 3648 FM 1960 West, Suite 110, Houston, Texas, a meeting place within the boundaries of the Authority; whereupon, the roll was called of the duly constituted officers and members of the Board, to-wit:

Alan J. Rendl	-	President
Jim Burke	-	Vice President
Lenox A. Sigler	-	Secretary
Jim Pulliam	-	Treasurer
Dwight "Clint" Moore	-	Assistant Secretary

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Ed Shackelford, General Manager for the Authority; Messrs. Alan Potok, P.E. and Michael Baugher, P.E. of Turner Collie & Braden, Inc. ("TC&B"), Program Manager and alternate source study engineering consultant for the Authority; Ms. Robin S. Bobbitt of Winstead Sechrest & Minick P.C. and Messrs. Andy Johnson and Alan Petrov of Johnson Radcliffe & Petrov L.L.P., attorneys for the Authority.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

ORDER ESTABLISHING MEETING PLACE OUTSIDE THE BOUNDARIES OF THE AUTHORITY

Ms. Bobbitt then presented for consideration and adoption by the Board an Order Establishing Meeting Place Outside the Boundaries of the Authority. Ms. Bobbitt explained that the Order establishes the Sheraton North, 15700 JFK Boulevard, as a meeting place outside the boundaries of the Authority in connection with the upcoming March 1st meeting and presentation by the Authority. Upon motion by Director Burke, seconded by Director Pulliam, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Order Establishing Meeting Place Outside the Boundaries of the Authority, a copy of which is attached hereto. Ms. Bobbitt noted that the notice of the establishment of the meeting place will be published in the 1960 Sun, as required by law.

PETITION TO WITHDRAW FROM THE AUTHORITY

Ms. Bobbitt then stated that a Petition for Removal of a portion of Sunbelt Freshwater Supply District ("Sunbelt") had been received from Sunbelt on February 9, 2001, a copy of which is attached hereto. Mr. Johnson then explained that Sunbelt is comprised of a number of different subdivisions spread out over a large area and that only one (1) of the subdivisions of Sunbelt is located within the Authority, and that such subdivision is located south of Beltway 8. A brief discussion then ensued regarding the Petition.

Upon motion by Director Pulliam, seconded by Director Burke, after full discussion and the question being put to the Board, the Board voted unanimously to approve such Petition, effective on the 60th day after the date of receipt by the Authority, such date being April 10, 2001, and to refund/rebate the pumpage fees for the period beginning with the date the Petition is withdrawn by Sunbelt to the date Sunbelt makes a final determination on whether to be excluded from the Authority, but in no event subsequent to February 28, 2001.

EXECUTIVE SESSION

Director Rendl then adjourned the regular meeting at 7:11 p.m. and announced that the Board would convene in executive session pursuant to Sections 551.071(2) and 551.072, Texas Government Code, as amended, to consult with its attorneys regarding matters covered by the attorney-client privilege and to deliberate on certain matters concerning real property.

Director Rendl then reconvened the meeting in open session at 10:10 p.m., at which time no action was taken by the Board.

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

PASSED, APPROVED AND ADOPTED this 22nd day of March, 2001.

/s/Lenox A. Sigler

Secretary, Board of Directors

(SEAL)