

MINUTES OF MEETING OF BOARD OF DIRECTORS
December 5, 2005

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 186

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 186 (the "District") met in special session, open to the public, at 5757 Woodway, Houston, at 12:00 p.m. on December 5, 2005; whereupon the roll was called of the members of the Board, to-wit:

Gary Henderson, President
Mark Day, Vice President
Jaquelyn Champagne, Secretary
Carol Barnes, Assistant Secretary
Leonard Fojt, Treasurer

All of the members of the Board were present except Directors Day and Barnes. Also attending the meeting were Mr. Gary Struzick, Mr. Brent Powell, and Mr. Brock Miller of Harris County Municipal Utility District No. 186; Ms. Penny Johnson, Mr. John Parrish, and Mr. Jerry Folmar of Harris County Municipal Utility District No. 162, Ms. Julie Tysor and Mr. Brent Broadway of Harris County Municipal Utility District No. 188; Mr. Chuck Hadley of Harris County Municipal Utility District No. 179; Mr. Thomas Jackson of Harris County Municipal Utility District No. 163; Mr. Jerry Eckert, Ms. Melinda Garza, and Ms. Amanda Edmunson of Turner Collie & Braden, Inc. ("TC&B"), engineer for the District; Mr. Chris Hoffman of H2O Consulting ("H2O"), operator for the District; Mr. Truman Edminister of Edminister, Hinshaw Russ, and Associates; Mr. David Oliver of Allen, Boone Humphries, Robinson L.L.P.; and Ms. Jana Cogburn of Fulbright & Jaworski L.L.P. ("F&J"), attorney for the District.

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 Exhibits "A," and the following business was transacted:

1. **Discuss the Reclaimed Water Agreement.** Mr. Eckert presented to and reviewed with the Board several scenarios for the design of the Reclaimed Water System design, a copy of which is attached hereto as Exhibit "B."

Mr. Eckert was directed to calculate the percentage of reclaimed water each participating district would use and to prepare a graph charting the relative costs of reclaimed water and surface water from WHCRWA over time.

Mr. Hoffman was directed to contact Pampered Lawns to obtain their irrigation schedule and to send this information to Mr. Eckert.

It was the consensus to hold another meeting on January 23, 2005 at TC&B's office.

THERE BEING NO FURTHER BUSINESS to come before the Board, the meeting was adjourned.

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The foregoing minutes were passed and approved by the Board of Directors on

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President, Board of Directors

ATTEST:

Secretary, Board of Directors

(DISTRICT SEAL)