

MINUTES OF MEETING OF BOARD OF DIRECTORS
April 3, 2006

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 11:30 a.m. on April 3, 2006; 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 Fojt. Also attending the meeting were Mr. Gary Struzick, Mr. Richard Huhn, and Mr. Brock Miller of Harris County Municipal Utility District No. 208; Dr. John Parrish, Ms. Penny Johnson, and Mr. Manny DePau of Harris County Municipal Utility District No. 162; Ms. Julie Tysor and Mr. Lou Mautz of Harris County Municipal Utility District No. 188; Mr. Brent Broadway of Harris County Municipal Utility District No. 179; Mr. Jerry Eckert, Mr. Mark Lowry, Mr. Charles Eastland, and Mr. Jason Afinowicz 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 and Mr. Eastland presented to and reviewed with the Board a memorandum relating to the Reclaimed Water System design, a copy of which is attached hereto as Exhibit "B."

The Board asked TC&B to prepare district specific rate graphs and a summary on the benefits of reclaimed water and its appropriate uses. TC&B agreed to have this information available by the end of next week.

The Board discussed designating one Board member to meet on a semi-monthly basis to discuss the Reclaimed Water Project.

It was the consensus to hold another meeting on Monday, April 24, 2006 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)