

MINUTES OF MEETING OF BOARD OF DIRECTORS

September 12, 2006

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 162

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 162 (the "District") met in regular session, open to the public, at 1301 McKinney, Houston, Texas, on September 12, 2006, at 4:00 p.m.; whereupon the roll was called of the members of the Board, to-wit:

Jerry Folmar, President
John Parrish, Vice President
Penny Johnson, Secretary
Dan Bonner, Treasurer
Emmanuel DePau, Assistant Secretary

All of the members of the Board were present except Director Bonner. Also attending all or parts of the meeting were Ms. Patty Rodriguez of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Mr. Chris Hoffman of H2O Consulting ("H2O"), operator of the District's facilities; Ms. Erin Garcia of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Charles Eastland of Turner Collie & Braden, Inc. ("TC&B"), engineers for the District; Mr. John Barganski of First Southwest Company, financial advisor to the District; Mr. Steve Rickelman, a resident of the District; and Ms. Jana Cogburn and Ms. Shailaja Singh 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 Exhibit "A," and the following business was transacted:

1. **Receive public comments.** There were no comments from the public.
2. **Minutes.** Consideration was given to the approval of the minutes of the meeting of August 8, 2006, a copy of which were previously distributed to the Board. President Folmar noted that Director DePau should be shown as the Assistant Secretary in the first paragraph of such minutes. Upon motion by Director Johnson, seconded by Director Parrish, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of August 8, 2006, as revised.
3. **Accept Resignation of Director Bonner.** The Board noted that Director Bonner has submitted his resignation because he is moving to Florida. Upon motion by Director Johnson, seconded by Director DePau, after full discussion and the question being put to the Board, the Board voted unanimously to accept the resignation of Director Bonner.

