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MINUTES HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

November 26, 2007

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 285 (the "District") met in special session, open to the public, on the 26th day of November, 2007, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

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| Walter A. Knowles, Jr. | President/Investment Officer |
| Roy Adame, Jr. | Vice President |
| James W. Chick | Secretary/Investment Officer |
| Jerry L. Allen | Asst. Vice President |
| Chand Khan | Assistant Secretary/Investment Officer |

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Kenneth Martinec and Dane Plumley of Jones & Carter, Inc. ("J&C"); Michael Wilson of Ley Wilson Development, LLC; Calvin Browne of Aqua Services, LP ("Aqua"); Arthur Marshall, Board member of the North Channel Water Authority ("North Channel"); Chad Ferguson of BPI Realty Services; Susan M. Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

MINUTES

The Board considered approving the minutes of the October 22, 2007, meeting. After discussion, Director Chick moved to approve the minutes as presented. The motion was seconded by Director Allen and carried by unanimous vote.

NORTH CHANNEL REPORT

Mr. Marshall reported on the status of the North Channel surface water supply activities, including the construction projects underway. He stated that Billy C. Allen Jr., has reported water accountability for the month of 100.54% and that 77.65% of the water usage was surface water.

INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES

The Board considered approving the Interlocal Agreement for Law Enforcement Services ("Agreement") for 2008. After discussion, Director Allen moved to approve

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the Agreement. Director Knowles seconded the motion, which carried unanimously. A copy of the Agreement is attached.

DEVELOPERS' REPORTS

Mr. Ferguson reported on the status of the FVNA Properties, Ltd. ("FVNA"), marketing of its property in the District.

Mr. Wilson informed the Board that the U.S. Army Corps of Engineers approved the drainage channel realignment and that the Harris County Flood Control District will now review the plans. He indicated that Ley Wilson has decided to delay the development of the New Forest West, Section 4, facilities, at the builders' request. He requested that the District cancel the construction contract with Kenneth Lamb Construction Co., Inc. Ms. Edwards explained that it will be necessary to investigate the status of the construction contract to determine how to terminate it. The Board agreed to cancel the contract subject to a determination of its status.

Ms. Prospere distributed copies of a report from KB Home regarding its development in the District, a copy of which is attached.

OPERATOR'S REPORT

Mr. Browne reviewed the monthly operations report. He reported on routine maintenance and repairs in the District. He stated that there were no violations of the permitted parameters at wastewater treatment plants nos. 1 and 2 during the month of September.

Director Allen reported that one of the Harris County Sheriff's Department deputies has information regarding the theft of water in the District. He stated that he will provide the information to Mr. Browne.

The Board discussed the District signs and noted that some areas may not be adequately identified. No action was taken at this time.

Mr. Browne reported that Harris County notified Aqua of a water leak into the storm sewer at Oleoke and Wickhamford.

A copy of the operations report is attached.

HEARING REGARDING TERMINATION OF SERVICE

The Board conducted a hearing regarding water and sewer service terminations. Mr. Browne informed the Board that the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification in accordance with the District's Rate Order prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their

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bills and to show why utility service should not be terminated for reason of non-payment. Director Allen requested that Mr. Browne check the account of Tracy Rose. Director Chick recommended that the water meters be pulled at the residences of Bobby Hawkins of 14119 Falling Elm Lane and Lisa Blanson of 202 Shekel Lane because their delinquent charges are significantly in excess of their deposits. After discussion, Director Chick moved that, because the residents on the termination list were either not present at the meeting or had not requested to speak regarding their delinquency nor had they presented any written statement on the matter to the Board, utility service for such residents should be terminated in accordance with the District's Rate Order and the water meters should be pulled at the residences of Bobby Hawkins and Lisa Blanson. The motion was seconded by Director Allen and carried by unanimous vote. A copy of the termination list is attached.

ENGINEER'S REPORT

Mr. Plumley presented a written report regarding engineering activities performed in the District, including the projects specifically addressed as follows in these minutes. A copy of the engineer's report is attached.

WASTEWATER TREATMENT PLANT NO. 2, PHASE 1

Mr. Martinec reported on the status of the construction of wastewater treatment plant no. 2, Phase 1. He stated that no Pay Estimates or Change Orders were submitted by R.P. Construction, Inc., for the Board's approval.

WATER PLANT CLEARING AND GRUBBING

The Board reviewed a bid tabulation for the water plant clearing and grubbing. Mr. Martinec recommended that the Board accept the low bid in the amount of \$31,200 submitted by Excalibur Construction, Ltd. The Board concurred that award of a contract to Excalibur Construction, Ltd., will be most advantageous to the District and will result in the best and most economical completion of the District's facilities. After discussion, Director Chick moved to accept the low bid in the amount of \$31,200 submitted by Excalibur Construction, Ltd., for the water plant clearing and grubbing and that the Board award a contract to said contractor, subject to approval of the payment and performance bonds by ABHR. Director Allen seconded the motion, which carried by unanimous vote.

WATER PLANT, PHASE 1

Mr. Martinec updated the Board regarding the District's proposed water plant, Phase 1. The Board deferred approval of the plans and specifications for the project pending receipt.

ELEVATED WATER STORAGE TANK WAIVER

Mr. Martinec informed the Board that J&C is finalizing the application to the Texas Commission on Environmental Quality for a waiver from the elevated water storage tank requirement.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE LIBERTY LAKES, SECTION 2

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve Liberty Lakes, Section 2. He stated that J&C is coordinating completion of the punch list items.

WATER, SEWER, AND DRAINAGE FACILITIES AND OFF-SITE WATER LINE TO SERVE LIBERTY LAKES, SECTION 9

Mr. Martinec reported on the status of the construction of the water, sewer and drainage facilities and off-site water line to serve Liberty Lakes, Section 9. He stated that no Pay Estimates or Change Orders were submitted by Cravens Partners, Ltd. ("Cravens"), for the Board's approval.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE LIBERTY LAKES, SECTION 10

Mr. Martinec reported on the status of the water, sewer, and drainage facilities to serve Liberty Lakes, Section 10. He stated that no Pay Estimates or Change Orders were submitted by Crostex Construction, Inc., for the Board's approval.

NEW FOREST WEST, SECTION 4, LIFT STATION

Mr. Martinec reported that preparation of the plans and specifications for the New Forest West, Section 4, lift station is underway. He stated that J&C has submitted the plans and specifications to the regulatory agencies for approval; however, he stated that the project will be delayed until the District and developer proceed with the water, sewer, and drainage facilities to serve New Forest West, Section 4.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE NEW FOREST WEST, SECTION 3

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve New Forest West, Section 3. He stated that no Pay Estimates or Change Orders were submitted by C.E. Barker, Ltd., for the Board's approval. He stated that the facilities will be connected to the District's existing water line but service to New Forest West, Sections 1 and 2, will be interrupted because the gate valve for the water line is broken. He stated that repair of the gate valve will be coordinated with Aqua.

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NEW FOREST LIFT STATION AND FORCE MAIN UPGRADE

The Board deferred the review of bids and award of a contract for the New Forest lift station and force main upgrade pending the receipt of bids.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE CARPENTER'S LANDING, SECTION 2

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 2. He stated that no Pay Estimates or Change Orders were submitted by Cravens for the Board's approval.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE CARPENTER'S LANDING, SECTION 3

The Board deferred approval of the plans and specifications for the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 3, pending receipt, and deferred authorizing advertisement for bids for the project pending approval of the plans and specifications.

WATER AND SEWER TRUNK LINES TO SERVE FVNA AND LEY TRACTS

Mr. Martinec reported on the status of the construction of the water and sewer trunk lines to serve the FVNA and Ley tracts. He recommended approval of Pay Estimate No. 1 in the amount of \$228,563.55 submitted by Cravens and Change Order No. 1 for modifications including fence, concrete driveway, and force main stub out replacements, resulting in a net increase of \$17,550.15 in the contract amount. After discussion, Director Chick moved to approve Pay Estimate No. 1 and Change Order No. 1 as recommended. The motion was seconded by Director Allen and carried by unanimous vote.

OFF-SITE FACILITIES TO SERVE BLACK ROCK COMMONS

Mr. Martinec reported on the status of the construction of the off-site facilities to serve Black Rock Commons. He stated that no Pay Estimates or Change Orders were submitted by Statewide Services for the Board's approval.

N500 DETENTION POND EXPANSION TO SERVE FVNA

Mr. Martinec reported on the status of the N500 detention pond expansion to serve FVNA. He stated that no Pay Estimates or Change Orders were submitted by Spaw Glass Civil Construction, Inc., for the Board's approval.

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DEEDS AND EASEMENTS, INCLUDING SPECIAL WARRANTY DEED FOR STONE PARK APARTMENTS LIFT STATION SITE

The Board deferred acceptance and/or approval of any deeds or easements, including the Special Warranty Deed for the Stone Park Apartments lift station site, pending receipt.

BOND APPLICATION NO. 8

Mr. Martinec reported that the Summary of Costs for bond application no. 8 is not yet ready.

DECEMBER MEETING

The Board agreed to cancel its special meeting in December because of the holidays.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

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