

MINUTES
NORTH FORT BEND WATER AUTHORITY

May 11, 2009

The Board of Directors (the "Board") of the North Fort Bend Water Authority (the "Authority") met in special session, open to the public, on the 11th day of May, 2009, at the offices of Brown & Gay Engineers, Inc., 10777 Westheimer, Bryan Conference Room, Third Floor, Houston, Texas, outside the boundaries of the Authority, and the roll was called of the members of the Board:

Peter Houghton	President
Robert Patton	Vice President
Melony Gay	Secretary
David Spell	Assistant Secretary
Robert Darden	Assistant Vice President
Bruce Fay	Director
Pat Hebert	Director

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

Also present for all or part of the meeting were: Mark McGrath and Colette Garcia of Null-Lairson, PC; Terrell Palmer of First Southwest Company; David C. Scholler, P.E. and Melinda Silva, P.E. of Brown & Gay Engineers, Inc. ("B&G"); Pamela Logsdon and Pam E. Lightbody of AVANTA Services; and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

AUDIT FOR FISCAL YEAR ENDED DECEMBER 31, 2008

Ms. Garcia reviewed with the Board the draft audit for fiscal year ended December 31, 2008, the management representation letter, and the SAS-114 statement. Following review and discussion, Director Spell moved to approve the audit for fiscal year ended December 31, 2008, subject to final review. Director Hebert seconded the motion, which was approved by unanimous vote.

RESOLUTION ADOPTING POLICIES FOR CAPITALIZATION AND DEPRECIATION

Ms. Garcia reported that, per current accounting standards, all capital assets must be reported in a statement of net assets and included in the audit. She then recommended that the Board adopt a policy for capitalization and depreciation of District assets. After review and discussion, Director Fay moved to adopt a Resolution Adopting Policies for Capitalization and Depreciation of District Assets as recommended. Director Spell seconded the motion, which passed by unanimous vote.

SERIES 2009 BONDS

Mr. Palmer updated the Board on the current bond market and reviewed a Preliminary Official Statement for the Authority's Water System Revenue Bonds, Series 2009. Mr. Palmer next discussed the procedures and activities to be undertaken to issue bonds in the open market. Following review and discussion, Director Hebert moved to approve the Preliminary Official Statement, subject to revision by the Authority's consultants. Director Darden seconded the motion, which was approved by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

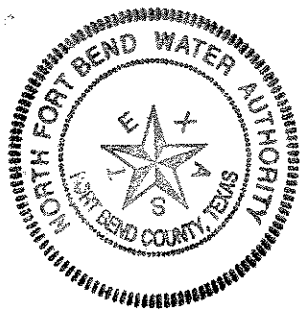
There was no discussion on financial and bookkeeping matters.

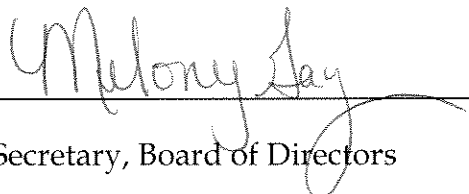
POSITION PAPER

Ms. Silva, Mr. Scholler, and Mr. Oliver next discussed with the Board the preparation of a position paper for the proposed amendment to the Fort Bend Subsidence District Regulation regarding conversion requirements. Following review and discussion, the Board authorized preparation of the position paper.

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

(SEAL)




Secretary, Board of Directors