

MINUTES OF MEETING OF BOARD OF DIRECTORS
July 11, 2008

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 208

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 208 (the "District") met in special session, open to the public, at the offices of Fulbright & Jaworski L.L.P., 1301 McKinney Street, Houston, Texas, at noon on July 11, 2008; whereupon the roll was called of the members of the Board, to wit:

Gary Struzick, President
Jon F. Moody, Vice President
Richard Huhn, Secretary
Brock E. Miller, Assistant Secretary
Bob McCavitt, Assistant Secretary

All members of the Board were present except Directors Miller and McCavitt. Also attending all or parts of the meeting were Ms. Kristen Scott of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Mr. Tony Sarman of TCB, Inc. ("TCB"), engineers for the District; Mr. Chris Hoffman of H2O Consulting ("H2O"), operator for the District; Ms. Lori Hogue of Myrtle Cruz, Inc., bookkeeper for the District; Mr. David L. Merritt, P.C., auditor for the District; and Ms. Jana Cogburn and Ms. Nancy Green of Fulbright & Jaworski L.L.P. ("F&J"), attorneys for the District.

The meeting was called to order and, in accordance with notice posted pursuant to law, copies of the Certificates of Posting of which are attached hereto as Exhibit "A," the following business was transacted:

1. **Minutes.** Consideration was given to the approval of the minutes of the meeting of June 13, 2008, previously distributed to the Board. Upon motion by Director Moody, seconded by Director Huhn, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of June 13, 2008, as presented.

2. **Approve audit for the fiscal year ending February 29, 2008.** The President recognized Mr. Merritt, who presented to and reviewed with the Board a draft of the audit for the fiscal year ending February 29, 2008, a copy of which is attached hereto as Exhibit "B." Mr. Merritt noted that the last paragraph in the MD&A will be revised. In response to a question from Director Moody, Mr. Merritt responded that the Board authorized sufficient funds to pay for the audit. Upon motion by Director Moody, seconded by Director Huhn, after full discussion and the question being put to the Board, the Board approved the audit for the fiscal year ending February 29, 2008.

3. **Tax Assessor and Collector's Report.** The President recognized Ms. Scott, who presented to and reviewed with the Board the Tax Assessor and Collector's Report for the month of June, a copy of which is attached hereto as Exhibit "C." Ms. Scott reported that

