

**TEXAS ENVIRONMENTAL RESEARCH CONSORTIUM
MINUTES OF THE BOARD OF DIRECTORS' MEETING
September 24, 2007**

The re-scheduled regular meeting of the Board of Directors (Directors) of the Texas Environmental Research Consortium (TERC) was held on Monday, September 24, 2007 in Dallas, Texas at Dallas City Hall. Chairman Frels convened the meeting at 2:10 p.m. The Agenda for the meeting is provided herein as Attachment I. Board members attending this meeting in addition to Chairman Frels were The Honorable Chad Adams, Ms. Catarina Cron representative and proxy for The Honorable Ed Emmett, Ms. Jan Hart Black representative and proxy for The Honorable Mr. Tom Leppert, Mr. Jim Marston, Dr. Ravi Singhania, Dr. Jonathan Ward, Mr. Karl Pepple representative and proxy for The Honorable Bill White, and The Honorable James Yarbrough. Additional persons in attendance were Mr. George Beatty, Ms. Ivy Guice, Dr. Jim Lester, Dr. Jay Olaguer, Mr. John Hall, and Mr. Mike Eastland.

The Board took the following actions at the meeting:

- Considered and approved the minutes of the June 14, 2007 as corrected and July 9, 2007 as presented;
- Received and discussed the Chairman's report. Items covered included: EPA public hearing in Houston; Chairman's testimony on behalf of The Greater Houston Partnership; Texas Diesel Testing Center; and meeting with the TCEQ's Executive Director;
- Received and discussed the Executive Director's report. Items covered included: update on TCEQ contracts; filing of TERC's 2006 990 to the IRS; Director and Officer Insurance and employment practices; Chase Bank account; EPA meeting; possible collaboration on a project with Mickey Leland Center; update on TERC's fundraising efforts; and the rescheduling of the one-day Open Meeting training session;
- Received and discussed the report to the Board on the Executive Committee meeting of August 29, 2007;
- Considered and approved Resolution 2.27, and thereby authorizes its Executive Director and the Houston Advanced Research Center to use the draft AQR Strategic Plan to recommend a limited number of air quality research projects for funding to the Executive Committee between September 13, 2007 and December 20, 2007;
- Discussed options for the future direction of the NTRD program;
- Discussed and approved Resolution 2.28 as amended, and thereby authorizes its Executive Director and the Houston Advanced Research Center to draft Request

for Grant Assistance #13 to solicit additional technology projects for funding, seek TCEQ's approval and then publish Request for Grant Assistance #13;

- Received and discussed the NTRD Strategic Plan;
- Received and discussed TERC's expired consultant subcontracts;
- Discussed and approved Resolution 2.30, and thereby accepts with gratitude the resignation of Mr. Doug Deason from the TERC Advisory council;
- Discussed and approved Resolution 2.31, and thereby appoints Mr. Craig Beskid to the TERC Advisory Council; and
- Discussed and approved Resolution 2.29, and thereby authorizes the Chairman and Secretary of the Board to make such agreements as are necessary and sufficient to establish and manage an "End of Day Money Market Fund" account with JP Morgan Chase Bank.

The Board adjourned for an executive session pursuant to Texas Government Code Sections 551.074, the Open Meetings Act to discuss TERC personnel matters including evaluation of the Executive Director, duties and compensation of the Executive Director; the Board reconvened in open meeting session at 4:46 p.m.

- Authorized TERC to renew contract with Executive Director for the period starting September 1, 2007 and ending August 31, 2007;
- Scheduled the next Board meeting for December 13, 2007 in Houston; and
- The meeting was adjourned at 5:00 p.m.