

**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 110
MINUTES OF MEETING OF BOARD OF DIRECTORS**

April 19, 2007

**THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 110**

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The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 110 (the "District") met in **regular session**, open to the public, at the designated meeting place of the Board in the District on **April 19, 2007**, whereupon the roll was called of the duly constituted officers and members of the Board, to-wit:

James N. Williams	-	President
Jeannie Satterwhite	-	First Vice President
Jerry A. Strickland	-	Second Vice President
Texas H. Stevens	-	Secretary
Tom Dowdy	-	Treasurer/Investment Officer

All members of the Board were present, thus constituting a quorum.

Also attending the meeting were David Caramanidis, Executive Facilities Coordinator; Art Gerzak, Project Manager for the District; and Constable Beck and Captain Cannon, Harris County Precinct No. 4 Constables; Bob Sordah; and Lauren M. Gray of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats-Rose"), Attorneys for the District.

The meeting was called to order and the following business was conducted.

HEAR FROM THE PUBLIC

The Board noted there were no members of the public present who wished to address the Board.

EXECUTIVE FACILITIES COORDINATOR'S REPORT

The Board recognized David Caramanidis, who presented the Executive Facilities Coordinator's Report.

Mr. Caramanidis informed the Board that a computer was temporarily knocked out as a result of the last storm. Mr. Caramanidis also informed the Board that the back gate to the District office needs to be reinforced or locked because it opens easily.

Mr. Caramanidis also noted that children have been using the fitness center and that certain members have not been following fitness center rules prohibiting children in the fitness center. Director Strickland suggested that members be issued a warning for the first violation, suspension for two (2) weeks for the

second violation and loss of membership for the third violation. The Board discussed ^{handing} new members initial fitness center rules so that members cannot later argue that they were unaware of the prohibition of minors up to a certain age in the fitness center.

Director Williams raised the issue of prohibiting use of District vehicles for personal use. Director Williams asked the District's attorneys to formulate a policy regarding the proper use of District vehicles. He also raised insurance issues related to the vehicles. Mr. Davis reminded Mr. Caramanidis and the Board that Mr. Caramanidis needs to follow up with the District's insurance broker as the District's insurance expires on May 22, 2007.

Mr. Caramanidis next updated the Board with insurance issues relating to his proposal for a summer camp to be held and run by Mr. Caramanidis at the District's recreation facilities. Ms. Gray asked Mr. Caramanidis about the status of the summer camp and insurance matters relating to the summer camp, including whether Mr. Caramanidis and the District are covered by existing insurance, or through insurance through Mr. Caramanidis' tennis association as an additional insured. Mr. Caramanidis produced a letter from the United States Professional Tennis Association stating that Mr. Caramanidis is covered with \$9 million of liability insurance, but only as to Mr. Caramanidis and only as to Mr. Caramanidis's activities as they relate to tennis. President Williams, in concurrence with the rest of the Board, expressed concern over the fact that other camp activities are not covered by Mr. Caramanidis' policy. The Board requested that Mr. Caramanidis meet with the District's insurance agent regarding coverages needed for the camp and requested that the District's attorneys assist in determining the necessary coverages. It was also noted that the camp starts on June 4, 2007 and that proper coverage needs to be in place by that date.

Mr. Caramanidis also informed the Board that one of the maintenance personnel left the District and that a new employee may be needed.

PEACE OFFICER'S REPORT

The Board next recognized Captain Cannon and Constable Beck, who presented the Peace Officer's Report.

The Board discussed the installation of security cameras. The Board also discussed the possibility of placing ballards connected by stainless steel chains around the park area to keep unauthorized vehicles out of the park.

Upon motion made by Director Strickland and seconded by Director Stevens, the Board unanimously approved the purchase of two (2) security cameras with steel clamps and locks for the cameras by Mr. Gerzak at a cost not to exceed \$700.00.

PROJECT MANAGER'S REPORT

Art Gerzak, Project Manager for the District, presented the Project Manager's Report. Director Strickland requested an update on the status of completing the schedule of projects. Mr. Gerzak responded that he did not have a schedule prepared for the meeting, only cost estimates for certain job numbers.

Mr. Gerzak requested approval from the Board on Job Nos. 7049 and 7050, authorizing the purchase of two (2) back flow prevention devices for the lakes in the amount of \$18,000 and \$17,000, respectively and not to exceed \$35,000 in total cost. Mr. Gerzak also requested approval to void previous Job No. 7051, which authorized the purchase of one (1) of three (3) back flow preventers at the March 22, 2007 Board meeting.

Mr. Gerzak also requested approval from the Board to use proceeds from the District's bond surplus monies to pay for the installation of "Hardi-plank" siding on the sewer plant; the replacement of a door to the District office and slab work; the replacement of stairs, installation of a new railing; and the installation of new roofing on the office at an approximate cost of \$34,250. The Board instructed Mr. Gerzak that no authorization would be given until the District's attorneys confirmed whether bond surplus monies may be used as requested by Mr. Gerzak.

Mr. Gerzak also reported that the access road near the dock is complete so that boats may now be backed into the water. The parking lot will be striped by the end of next week (4/27). Mr. Gerzak also stated that the asphalt paving is complete but cost \$2,000 more than estimated.

Upon motion made by Director Strickland and seconded by Director Stevens, the Board unanimously approved Job Nos. 7049 and 7050, authorizing the purchase of two back flow preventers by Mr. Gerzak in the amount of \$18,000 (Job No. 7049) and \$17,000 (Job No. 7050), and voiding Job No. 7051.

ENGINEERING/DEVELOPMENT REPORT

The Board recognized Mr. Davis who presented the Engineering/Development Report. Mr. Davis first presented the Board with an assessment of the facilities and property owned by the District. Mr. Davis handed up a written list of facilities and property for which insurance coverage must be reviewed. A copy of the list is attached hereto.

Mr. Davis next updated the Board on the status of installing the back flow preventers in the lakes in connection with stocking fish as proposed by Lake Management Services, L.P. ("Lake Management") in its letter to the Board, dated April 12, 2007, a copy of which is attached. Mr. Davis stated that he had not yet heard back from the County regarding the back flow preventers. The Board held discussion regarding outflow boxes, back flow preventers, and stocking fish in the lakes. Director Strickland noted that Mr. Gerzak had been authorized in a previous Board meeting to buy valves for the out flow boxes and that Mr. Gerzak had not yet done this. Mr. Gerzak stated that he still had to give the Board an estimate on the cost for the outflow boxes and that he would have that estimate for the next meeting. Director Strickland asked the Board's attorneys to follow up on whether the stocking of the lakes triggers the jurisdiction of the Texas Department of Parks and Wildlife.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously authorized (1) Lake Management to clear Oak, Forest, and Enchanted Lakes, if in its discretion it believes clearing to be necessary, (2) Lake Management stock the lakes at a cost not to exceed \$11,500.00 with the fish recommended by Lake Management, plus adding red fish to Enchanted Lake if it would not cause a problem with respect to the other fish stocked in Enchanted Lake, and (3) the President or any Vice President of the Board to countersign the letter and invoices authorizing Lake Management to clear and stock the lakes.

ATTORNEY'S REPORT

The Board recognized Ms. Gray, who presented the Attorney's Report.

District Website

Ms. Gray noted that the website is complete and that Mr. Caramandis should contact Barbara Payne, web developer for the District's website, regarding the additional recreational information to the website. Ms. Gray stated that she would immediately follow up on the status of going live with the website.

EMPLOYEE HANDBOOK

Ms. Gray noted that the District's employee handbook had been sent to Mr. Caramanidis. However, Mr. Caramanidis indicated that he had not received the handbook. Ms. Gray stated that the Board's attorneys would immediately send another handbook to Mr. Caramanidis.

ADDITIONAL ITEMS

Ms. Gray also confirmed that the Board's attorneys will report back to the Board on (i) a stated policy on the proper use of District vehicles by District employees; (ii) whether the District may enclose the park with ballards and chains and restrict the use of the park solely to use by District residents; (iii) whether the stocking of the lakes triggers the jurisdiction of the Texas Department of Parks and Wildlife; and (iv) whether surplus money from District bonds may be used to fund renovations to the District.

There being no further business to come before the Board, upon motion duly made and seconded, the meeting was adjourned.

APPROVED THIS June 28, 2007


Secretary, Board of Directors