

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

May 17, 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 **special session**, open to the public, at the designated meeting place of the Board in the District on **May 17, 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 for the District; Art Gerzak, Project Manager for the District; John Davis of Langford Engineering, Inc., Engineers for the District; Emmott Poindexter, resident of the District; and Joshua J. Kahn 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.

ATTORNEY'S REPORT

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

Vehicle and District Property Policy

Ms. Gray presented the Board with a proposed Vehicle and District Property Policy, a copy of which is attached hereto. Among other things, the proposed policy includes limiting the operation of District vehicles to the Executive Facilities Coordinator and Project Manager and requiring that District vehicles be restricted to business use only as opposed to any personal use. The policy also notes that as to all District property, District employees and officials are required to use such property for and in furtherance of District business only and that personal use of District Vehicles or any other District property could give rise to a violation under the Penal Code regarding public property.

Per the Board's previous request to the District's attorneys, the policy was amended to allow the Executive Facilities Coordinator and Project Manager to maintain District vehicles at their residences and to authorize other District employees to operate District vehicles. The policy was also amended at the Board's request to eliminate the requirement of a mileage log.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously approved the implementation of the Vehicle and District Property Policy.

Surveillance Policy

Ms. Gray next presented the Board with a proposed Surveillance Policy, a copy of which is attached hereto. Among other things, the policy outlines the proper use of videotaping "public" areas on District property as opposed to "non-public" areas and limiting the viewing of any recorded surveillance to only certain District officials and personnel.

Per the Board's request to the District's attorneys, the policy was amended to allow District peace officers, all District Board members, the Executive Facilities Coordinator, the District Project Manager and other District personnel (at the express direction of the Executive Facilities Coordinator and Project Manager) to have access to recorded surveillance.

As a final matter, Ms. Gray confirmed that the security cameras may be used by the District to photograph or record license plates.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously approved the implementation of the Video Surveillance Policy.

Approval of Agreement with Tiremax for Service and Annexation

The proposed agreement with Tiremax for service and annexation in to the District was deferred.

Use of Bond Surplus Money

Ms. Gray presented the Board with a Resolution Authorizing Use of Surplus Funds in connection with renovations to the water plant, and Resolution Authorizing Use of Surplus Funds and Change in Plans and Specifications in connection with the reimbursement of developers on the Atkins and Sierra matters.

Upon motion made by Director Strickland and seconded by Director Dowdy, the Board unanimously approved the Resolutions.

Approval of the Meeting Minutes for March 6, 2007, April 11, 2007, April 19, 2007 and April 4, 2007

Ms. Gray presented the Board with minutes of the Board of Directors meetings for March 6, 2007, April 11, 2007, April 19, 2007 and April 4, 2007. Director Stevens noted minor changes to the minutes and requested that the minutes be amended.

Upon motion made by Director Stevens and seconded by Director Satterwhite, the Board unanimously approved the minutes of March 6, 2007, April 11, 2007, April 19, 2007 and April 4, 2007, subject to amendment.

Contract for Peace Officers

Mr. Kahn stated that the District's insurance carrier recommended that the District have separate employment contracts with peace officers who are employed by the District on an overtime basis, outside of the contract between Harris County and the District. Mr. Kahn stated that the District's attorney would present the Board with a proposed contract at the next Board meeting.

Forest Oaks Swim & Racquet Club Membership

Mr. Kahn stated that he would follow up with Kay Divin regarding a revised membership fee schedule for the Forest Oaks Swim & Racquet Club ("FOSR") that Ms. Divin will forward to the Board.

Signs Posted on District Property

Mr. Kahn reported that signs posted on District property by Kimball Homes and a power washing vendor, "Happy Homes", were removed.

Approve Proposal to Renew Insurance

At the Board meeting of May 9, 2007, the Board was presented with and considered insurance proposals from Dan McDonald of Anco-McDonald Waterworks Insurance Services, L.L.C. ("Anco-McDonald") and Floyd Mechler of Aquasurance, L.L.C.

Upon motion made by Director Strickland and seconded by Director Stevens, the Board unanimously voted to accept the proposal of Anco-McDonald.

Upon motion made by Director Satterwhite and duly seconded, the Board unanimously approved the Attorneys' report.

Executive Facilities Coordinator Report

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

Mr. Caramanidis requested approval for the purchase of a digital camera for the District. Mr. Caramanidis also requested approval for the purchase of new lockers for the FOSR's lifeguards for the purpose of giving the lifeguards a place to store personal items while the lifeguards are on duty. Mr. Caramanidis also requested approval for the purchase of a new computer for use by Mr. Caramanidis. Mr. Caramanidis also requested approval for the hiring of two (2) maintenance workers for FOSR.

Mr. Caramanidis noted that the gate facing Enchanted Lake was fixed so that it is now more secure. In response to inquiries by Director Stevens, Mr. Caramanidis also noted that the computer that was knocked out by a recent storm is back online, and acknowledged that he did receive an employee handbook from the District's attorneys.

There was some discussion regarding the formulation of rules for the park. The Board determined that Mr. Caramanidis, Mr. Gerzak and Directors Williams and Strickland would together formulate rules.

Mr. Caramanidis presented the Board with a request by a Tae Kwon Do teacher to use the District's recreation center one day per week. The Board declined to approve the request.

Mr. Caramanidis also reported that the construction on his office is almost complete.

As a final matter, Mr. Caramanidis reported that he responded to the insurance broker's remaining questions regarding the summer sports camp.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously approved the purchase of office furniture, lockers, a digital camera, and computer by Mr. Caramanidis, not to exceed \$1,300.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board also unanimously approved the hiring of two (2) maintenance workers by Mr. Caramanidis for FOSR.

Peace Officers' Report

The Board recognized Constable George Beck, who presented the Peace Officers' Report.

Constable Beck reported that a man driving an ATV trespassed in the District's park, was pursued by Art Gerzak, refused to stop when asked to do so by Mr. Gerzak, and drove into a ditch close to one of the lakes. Ms. Gray informed the Board that she was contacted by Mid-Continent Insurance requesting information regarding the incident. Ms. Gray reported that she referred the Mid-Continent representative, Yolanda Gautier, to Messrs. Gerzak and Caramanidis, Constable Beck and the Board for details on the incident.

Constable Beck also reported on a recent incident in which juveniles rode four wheelers in the District's detention pond.

Constable Beck also informed the Board that individuals are parking in front of fire hydrants in the District. It was suggested that the curbs fifteen (15) feet in front and in back of the fire hydrant be painted red to deter parking in front of the hydrants.

Constable Beck also requested that he be given the combination lock to the gate facing Enchanted Lake.

As a final matter, Constable Beck requested authorization from the Board to install an internet line that would allow the constables to file reports electronically. Constable Beck also stated that he would need a computer for this purpose. The Board instructed Constable Beck to put the appropriate persons in touch with the District's attorneys about installing the internet line. Director Strickland stated that the District would purchase the computer.

Constable Beck also requested the installation of lockers for District peace officers.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously approved the installation of the internet line in an amount not to exceed \$4,000.00 for the installation, plus a \$199 per month service fee.

Project Manager's Report

The Board recognized Mr. Gerzak, who presented the Project Manager's Report.

Mr. Gerzak reported that construction of the Executive Facilities Coordinator's Office should be completed by Wednesday or Thursday of next week (5/23-5/24); that the new parking lot and lot located next to the recreation facility was striped; that only part of the lot next to the recreational facility has yet to be paved.

Mr. Gerzak discussed pricing on perimeter fencing for the park and on surveillance camera stations. Mr. Gerzak estimated that a perimeter cable fence with two (2) cables would cost approximately \$33,000 plus the cost of wood posts placed every twelve (12) feet on the fence line with reflectors on both sides of the posts.

Mr. Gerzak stated that fencing around the surveillance cameras would be needed at an approximate cost of \$1,100 - \$1,200 per camera. Director Strickland suggested that the cost of the fence be added to existing Job. No. 7052 (for perimeter cable fence) bringing the total cost for the perimeter fence and camera fencing ("security fencing") to approximately \$40,000. It was suggested that the materials for the fencing would not have to be bid out because the cost would be under \$7,000.

The discussion shifted to the District's park and the manpower and equipment needed for the park's upkeep. The Board noted that the two (2) maintenance workers hired for FOSR would be supervised by the Project Manager.

Mr. Gerzak stated that equipment would be needed for the maintenance workers, including a spray rig, riding lawn mower, tractor, a new building to house the new equipment and chemicals, and a trailer and weed eater. Mr. Gerzak noted that a pole barn building would be advisable in order to avoid possible damage from flooding and asked the Board whether it had a preference on a metal or asphalt roof. Mr. Gerzak estimated that a 30x50 or 60 foot building would cost \$75,000 to \$80,000.

As a final matter, Mr. Gerzak stated that John Davis had not yet heard back from the County regarding the backflow preventers.

Upon motion made by Director Strickland and duly seconded, the Board unanimously authorized the purchase of the security fence under Job No. 7052, as amended, at a cost not to exceed \$40,000.

Upon another motion made by Director Strickland and seconded by Director Stevens, the Board unanimously approved the purchase of a spray rig, riding lawn mower, trailer, and a weed eater under Job No. 6099 (equipment purchases), at a cost not to exceed \$9,000.

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

APPROVED THIS _____.


Secretary, Board of Directors