

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

July 11, 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 **July 11, 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, except Director Stevens, thus constituting a quorum.

Also attending the meeting were David Caramanidis, Executive Facilities Coordinator for the District; Art Gerzak, Project Manager for the District; Ken Streeter with Cypress Creek Town Offices, Ltd. ("CCTO") Developer of Land in the District; John Davis of Langford Engineering, Inc. ("Langford"), Engineers for the District; Mary Jarmon of Myrtle Cruz, Inc. ("Myrtle Cruz"), Bookkeeper for the District; Pat Hall of Equi-Tax, Inc. ("Equi-Tax"), Tax Assessor for the District; Chris Zilko of Aqua Services, LP, Operator for the District ("Aqua Services"); Deputy Constable George Beck with Harris County Precinct No. 4; Allen Moscon, Bob Sordahl and Emmet Poindexter, residents of the District; and Maria Salinas Parker of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats-Rose"), Attorney for the District.

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

HEAR FROM THE PUBLIC

The Board recognized Mr. Moscon, who informed the Board that during the July 4th weekend when he was at the pool facilities, the lifeguards were not properly manning the pool. Mr. Moscon also asked the Board whether they had any information regarding a lot purchased by FEMA in Forest Oaks. The Board indicated that they did not have any information.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board recognized Ms. Hall of Equi-Tax, who presented the Board with the Tax Assessor/Collector's Report, a copy of which is attached hereto and checks for payment from the District's Tax Account. Ms. Hall noted that 97.7% of the District's 2006 taxes have been collected.

The Board asked Ms. Hall to provide the Engineer and Operator with a list of the commercial accounts for 2006.

Upon motion duly made and seconded, the Board unanimously voted to approve the Tax Assessor/Collector's Report and to authorize the payment of checks listed therein.

DEVELOPMENT REPORT

The Board recognized Mr. Streeter, who reported on the status of development of Cypress Forest Lakes. Mr. Streeter advised the Board that Meritage Homes has asked when the District anticipates completing the parks and lake project. Mr. Streeter also mentioned that the rendering of the parks and lakes needs to be updated.

Upon motion duly made and seconded, the Board voted unanimously to authorize the Project Manager to update with a tentative time schedule the rendering of the parks and lakes, inclusive of the projects included in the proposed budget for fiscal year ending July 31, 2008. Mr. Gerzak stated he would present a draft of the new rendering at the recreation meeting on July 19, 2007.

BOOKKEEPER'S REPORT/INVESTMENT REPORT

The Board next recognized Ms. Jarmon, who submitted to and reviewed with the Board the Bookkeeper's Report and Investment Report, copies of which are attached hereto, and certain invoices for payment by the Board.

Upon motion made by Director Dowdy and seconded by Director Strickland, the Board unanimously voted to approve the Bookkeeper's Report, Investment Report, and the checks presented for payment.

BUDGET FOR FISCAL YEAR ENDING

Ms. Jarmon presented the Board with a proposed budget for the fiscal year ending July 31, 2008, a copy of which is attached hereto.

The Board agreed that the capital projects for parks and recreation should be increased to \$657,314.

Upon motion duly made and seconded, the Board voted unanimously to approve said budget with the change noted above.

OPERATOR'S REPORT

The Board next recognized Mr. Zilko, who presented to the Board the Operator's Report, a copy of which is attached hereto. Mr. Zilko reported that the District has 2,138 connections, and a billed to pumped ratio for the prior month of 93.3%. Mr. Zilko reported that there were no excursions at the wastewater treatment plant.

Upon motion made by Director Satterwhite and seconded by Director Strickland, the Board unanimously voted to approve the Operator's Report.

Termination of Water Service

Consideration was then given to the termination of water service to certain accounts for failure to pay their water bills. At this time, Mr. Zilko presented to the Board a list of terminations. The Board noted that there were no persons present at the meeting to protest their utility bills and/or the termination of water service to their property.

Upon motion duly made by Director Satterwhite and seconded by Director Strickland, the Board voted unanimously to authorize termination of water service with the assistance of a peace officer, if necessary, to the accounts listed in the termination report, a copy of which is attached hereto.

ENGINEERING/DEVELOPMENT REPORT

The Board recognized Mr. Davis who presented the Engineering/Development Report and reported as follows:

1. The Bond Application will be presented at the meeting on July 19, 2007.
2. Shipley Doughnuts will be submitting an application for service. The Board agreed Langford should proceed with processing the Application.
3. Langford will begin design of up-sizing the sanitary sewer line along Meadow Edge from 10-inch to 12-inch. Mr. Davis agreed that advertisement for bids will occur in March 2008 with project award in April 2008.
4. Langford is continuing to work on the plans and specifications for the bar screen. Langford will advertise for bids in September 2007, with project award in October, 2007.
5. Langford will investigate extending the water line along the east side of IH-45 to loop the District's water system. This will require easements from Kensinger, Easterling and Tiremax. The Board asked Ms. Parker to obtain said easements.

Portrait Homes/Parkside

The Board noted there was no action to be taken on this matter.

Lakes of Cypress Forest, Detention Pond Phase II

The Board noted there was not action to be taken on this item.

Survey for Security Fence

LJA Engineering, Inc will prepare the survey of the perimeter fence, security posts, and wires.

Restaurant - Application for Service

An application for water and sewer service from Hoi Yin Restaurant ("Hoi Yin") has been submitted to the District.

Tiremax Annexation Request for Water and Wastewater Service

Mr. Davis informed the Board that Tiremax installed a private water system, since they could not obtain the necessary easements for a public water system. It appears Tiremax is no longer seeking annexation.

The Board noted there was no action to be taken on this item.

ATTORNEY'S REPORT

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

Approve Minutes of May 3, 2007, May 9, 2007, May 17, 2007, June 13, 2007 and June 28, 2007 Board Meetings

The approval of minutes for the Board meetings of May 3, 2007, May 9, 2007, May 17, 2007, June 13, 2007 and June 28, 2007 previously distributed to the Board were presented for consideration and approval.

Upon motion duly made and seconded, the Board voted unanimously to approve said minutes, with the exception of June 28, 2007. Approval of the June 28, 2007, minutes was deferred.

Agreement with Tiremax for Service

The Board noted no action was necessary on this item.

Approve Resolution Relating to Issuance of Bonds

Approval on a resolution relating to the issuance of Bonds was deferred by the Board.

NOVEMBER BOND ELECTION

The Board noted there was no action to be taken at this time in connection with a November bond election.

CLOSED SESSION

Upon motion duly made and seconded, the Board voted unanimously to convene in closed session at 8:45 p.m. to discuss personal matters.

OPEN SESSION

Upon motion duly made and seconded, the Board voted unanimously to reconvene in open session at 10:00 p.m.

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

APPROVED THIS September 12, 2007.


Secretary, Board of Directors

