

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

August 8, 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 **August 8, 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 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; Bob Sordahl and Emmet Poindexter, residents of the District; and Josh J. Kahn 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 noted there were no members of the public present who wished to address the Board.

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 98.1% of the District's 2006 taxes have been collected.

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

ENGINEERING/DEVELOPMENT REPORT

The Board recognized Mr. Davis who presented the Engineering/Development Report.

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.

Application for Service

Mr. Davis noted that the District received an application for water and sewer service from Kensinger/Easterling for a proposed car rental facility.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously voted to authorize Mr. Davis to prepare a feasibility analysis in connection with such application.

Water Distribution, Wastewater Collection and Storm Drainage Improvements to Serve Lakes of Cypress Forest, Section Three

The Board noted that at their meeting on November 9, 2006, they approved the contract for the construction of the the water distribution, wastewater collection and storm drainage improvements to serve Lakes of Cypress Forest, Section Three to Cravens Partners, Ltd. ("Cravens").

Mr. Davis submitted to and reviewed with the Board Pay Estimate No. 4 and Final to Cravens in the amount of \$47,046.18.

Upon motion duly made by Director Stevens and seconded by Director Satterwhite, the Board voted unanimously to approve Pay Estimate No. 4 and Final for the Cravens project.

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.

Spring Park Retail Center

Mr. Davis presented to and reviewed with the Board plans for the development of the Spring Park Retail Center by MetroNational. Mr. Davis reminded the Board that MetroNational previously submitted an Application for Service and that there is adequate water and wastewater capacity available to serve the subject site.

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

Waste Discharge Permit Renewal

Mr. Davis noted that the application for renewal of the District's waste discharge permit has been submitted to the TCEQ.

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

Engineering Report for Bond Application

Mr. Davis presented to and reviewed with the Board a draft of the Engineering Report in connection with the November 6, 2007 bond election for water, sewer and drainage facilities to serve the Portrait Homes tract. The Board discussed (i) increasing the proposed bond amount from the current amount of \$6,000,000 to cover future capital projects and repairs in the District, and (ii) whether to hold a joint election with Harris County. After further discussion, the Board instructed Mr. Davis to increase the proposed bond authorization amount to \$10,000,000 and also noted that they prefer not to hold a joint election but rather to have a separate election as they have always done in the past.

Annexation of Several Tracts

Mr. Davis discussed with the Board the need to annex several small out-tracts into the District, including the land under the District office, some additional land around the park/lake area, and the land at the entrance to Cypress Forest Lakes.

Upon motion duly made by Director Strickland and seconded by Director Dowdy, the Board voted unanimously to authorize the District's engineer and attorney to prepare the documents necessary to annex the tracts discussed above into the District.

DEVELOPMENT REPORT

The Board recognized Mr. Streeter, who presented to and reviewed with the Board an updated Overall Site Reference Plan (the "Plan") for the parks/recreational facilities adjacent to Cypress Forest Lakes. Mr. Streeter also discussed with the Board the projected schedule for completion of the major features (waterfalls, pathways, etc.) depicted on the Plan.

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

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 2,140 connections, and a billed to pumped ratio for the prior month of 91.8%. Mr. Zilko reported that there were no excursions at the wastewater treatment plant.

Upon motion made by Director Strickland and seconded by Director Satterwhite, 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 made by Director Strickland and seconded by Director Satterwhite, 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.

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.

ATTORNEY'S REPORT

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

Approve Minutes of June 28, 2007, July 6, 2007, July 11, 2007, July 18, 2007 and July 19, 2007 Board Meetings

The 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.

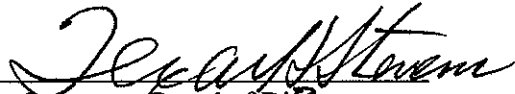
Upon motion made by Director Strickland and seconded by Director Stevens, the Board voted unanimously to approve the minutes from the meeting of June 28, 2007, as amended. Approval of the July 6, 2007, July 11, 2007, July 18, 2007 and July 19, 2007 minutes was deferred.

NOVEMBER BOND ELECTION

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

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

