

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

**September 12, 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 **September 12, 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; Kenneth Byrd 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, Emmet Poindexter and Peter Black, residents of the District; Ryan J. Pegoda with State Venture, LLC; 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.

**TAX ASSESSOR/COLLECTOR'S REPORT**

The Board recognized Mr. Byrd 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. Mr. Byrd noted that 97.3% of the District's 2006 taxes have been collected.

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

### **HEAR FROM THE PUBLIC**

The Board recognized Mr. Black, who introduced himself as the new President of the Enchanted Oaks Homeowners Association. Mr. Black asked several questions to the Board regarding the maintenance/desilting of various creeks and gulleys in and around the District.

### **REQUEST FOR SERVICE/STATE VENTURE**

The Board next recognized Mr. Pegoda, who reminded the Board that they issued a water and sanitary sewer availability letter to State Venture, LLC in January 2007. Mr. Pegoda noted that such letter expires in January 2008 and requested an extension of the water and sewer availability until January 2009. Mr. Pegoda explained that there are currently plans for a restaurant and pad sites on his property.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously voted to extend the water and sanitary sewer availability letter to State Venture, LLC until January 2009.

### **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. Ms. Jarmon and Mr. Kahn also discussed with the Board the new requirements imposed by House Bill 3693 which was recently enacted and requires political subdivisions to take certain actions with regard to electrical conservation. Mr. Kahn noted that Rebecca Marcucci with The Legacy Group will attend the District's recreational meeting to discuss these requirements.

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

### **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 2,148 connections, and a billed to pumped ratio for the prior month of 91.5%. Mr. Zilko reported that there were no excursions at the wastewater treatment plant.

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

#### **Water Plant No. 1**

Mr. Davis noted that the plans and specifications for the rehabilitation/repainting of Water Plant No. 1 have been submitted to the Texas Commission on Environmental Quality (the "TCEQ").

#### **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.

#### **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").

The Board noted there was not 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.

#### **Fitness Center**

Mr. Davis discussed the repairs that were made to the fitness center to correct the condensation problem. Mr. Davis noted that the total cost of such repairs was approximately \$6,500.00. Mr. Davis stated that Langford Engineering would pay the entire costs for the repairs since the problem was apparently due to mistakes made by the design engineer.

#### **CLOSED SESSION**

Upon motion duly made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to convene in closed session at 9:00 p.m. to discuss pending litigation and personnel matters.

#### **OPEN SESSION**

Upon motion duly made by Director Strickland and seconded by Director Dowdy, the Board voted unanimously to reconvene in open session at 9:40 p.m.

The Board informed the Board that they would accept a check from Langford Engineering in the amount of one-half of the costs of the repairs to the fitness center. Mr. Davis agreed with the settlement offer and presented a check for one-half of the amount to the District.

#### **ATTORNEY'S REPORT**

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

#### **Approve Minutes of July 6, 2007, July 11, 2007, July 18, 2007, July 19, 2007, August 8, 2007 and August 16, 2007 Board Meetings**

The minutes for the Board meetings of July 6, 2007, July 11, 2007, July 18, 2007, July 19, 2007, August 8, 2007 and August 16, 2007 previously distributed to the Board were presented for consideration and approval.

Upon motion made by Director Stevens and seconded by Director Strickland, the Board voted unanimously to approve the minutes from the meetings of July 6, 2007, July 11, 2007, July 18, 2007, July 19, 2007, August 8, 2007 and August 16, 2007, as amended.

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

APPROVED THIS October 10, 2007.



Secretary, Board of Directors