

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

September 10, 2008

**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 10, 2008 at 6:00 p.m.**, 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 Lori Rosenbower, Parks and Recreation Manager for the District; Kay Divin, the District's Water and Sewer Operations Manager; Art Gerzak, Construction Projects Manager for 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; Michael J. Ammel and Karl Skarboszewski of Environmental Development Partners, Operator for the District ("EDP"); Deputy Constables George Beck and Craig Geffert with Harris County Precinct No. 4; Carlisle Aspinall with C&A Foreign Transmission; Sam Bennett; Bob Sordahl, Emmet Poindexter, Peter Black and David Mayfield, residents of the District; members of the public listed on the attached Attendance Sheet; and Maria S. Parker 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 98.6% of the District's 2007 taxes have been collected. Mr. Byrd also noted that the District has received a certified taxable value for 2008 of \$516,784,294, which included \$73,805,118 in owner's opinion of value.

Upon motion duly made by Director Dowdy 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 discussed the encroachment of fences, etc. onto District easements and the District's policy in dealing with such encroachments.

**Annexation/Service Request**

The Board recognized Mr. Aspinall and Mr. Bennett, each the owner of a tract of land outside the boundaries of the District (near the intersection of Louetta and Holzwarth), who discussed with the Board

the possible annexation of their tracts into the District. Ms. Divin noted that each applicant has submitted to the District the required \$2,500.00 deposit. The Board discussed the annexation process with each owner and also discussed the possibility of serving each tract with out-of-District service. The District's engineer and attorney each noted several issues with serving the Bennett tract as an out-of-District customer. Regarding the Bennett tract, the Board noted that since the tract is currently for sale and the ultimate use of such tract is unknown, they would be willing to issue a commitment letter for such tract, subject to annexation of the tract at a later date. Regarding the Aspinall tract, the Board discussed serving such tract on a temporary basis until such time as it can be annexed into the District together with the Bennett tract.

Upon motion duly made by Director Dowdy and seconded by Director Stevens, the Board unanimously voted to (i) issue a commitment letter for the Bennett tract, subject to annexation of the tract at a later date, (ii) serve the Aspinall tract on a temporary basis until such time as it can be annexed into the District together with the Bennett tract, and (iii) authorize the District's engineer to prepare a feasibility study for temporary service/future annexation of the two tracts into the District, subject to his receipt of the necessary documentation from the two landowners.

### **RECREATION REPORT**

The Board recognized Ms. Rosenbower, who presented the Recreation Report. Ms. Rosenbower discussed the Grand Opening for the park that was to be held on September 13, 2008. Ms. Rosenbower explained that the local fire department could not commit to being present at the Grand Opening on September 13, 2008, therefore, the Grand Opening has been rescheduled to Saturday, October 11, 2008 from 3:30 p.m. to 7:30 p.m.

### **PEACE OFFICERS REPORT**

The Board recognized Mr. Beck, who presented the Peace Officer's Report.

### **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 Strickland and seconded by Director Dowdy, the Board unanimously voted to approve the Bookkeeper's Report, Investment Report, as amended, and the checks presented for payment.

### **OPERATOR'S REPORT**

The Board next recognized Mr. Ammel, who presented to the Board the Operator's Report, a copy of which is attached hereto.

Mr. Ammel next presented a request for an adjustment to the water bill from McGinnis Used Cars and Lowe's. The Board instructed Mr. Ammel to adjust the bill to reflect an average bill for the past three (3) months, plus the regional water authority pumpage fee.

Mr. Ammel next discussed (i) a quote he received from LLES for semi-annual preventative maintenance on the generator at Water Plant No. 1 at a cost of \$455 per visit (\$910 per year), (ii) preparations his firm has made in anticipation of Hurricane Ike, and (iii) the problem of the starter failing at Water Well No. 3 at Water Plant No. 2 and steps that are being taken to solve the problem.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board unanimously voted to approve the Operator's Report and to authorize the adjustments to the water bills of McGinnis Used Cars and Lowe's.

### **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. Ammel 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.

### **ENGINEERING/DEVELOPMENT REPORT**

The Board recognized Mr. Davis, who presented the Engineering/Development Report. Mr. Davis updated the Board on the status of the annexation of various tracts into the District. Mr. Davis also noted that the plans for the Shipley's Donuts and the Cheddar's Restaurant have been approved.

### **Siding /Roof/ Bar Screen For Wastewater Treatment Plant**

Mr. Davis noted that bids were received on May 2, 2008 for the installation of the automatic bar screen at the wastewater treatment plant with the low bidder being Neil Technical Services, Corp. ("NTS") in the amount of \$312,350.00. Mr. Davis presented to and reviewed with the Board Pay Estimate No. 1 from NTS for such project in the amount of \$25,605.00.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to approve Pay Estimate No. 1 from NTS in the amount of \$25,605.00.

### **Repainting of Tanks at Water Plant No. 1**

Mr. Davis reminded the Board that at the meeting of January 17, 2008 that the Board awarded the contract for the Rehabilitation Project for Water Plant No. 1 to L.C. United Painting ("LC") in the amount of \$232,000.00. Mr. Davis noted that the contractor has completed the project but has never submitted an estimate for payment. Mr. Davis continued that he has notified LC of this but has yet to receive any response.

### **Kings Village**

The Board noted that construction of Kings Village is underway.

### **Fence for Wastewater Treatment Plant**

No action was taken on this item.

### **North Harris County Regional Water Authority ("NHCRWA")**

Mr. Davis stated that the District's bond application necessary to make capital contribution for their proportionate share of the NHCRWA's upcoming bond issue has been submitted to the Texas Commission on Environmental Quality under a 45-day review.

### **Starbucks at Spring Park Village**

Starbucks is proceeding with construction of its facility at Spring Park Village.

**ATTORNEY'S REPORT**

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

**Approve Minutes of August 13, 2008**

Proposed minutes of the meeting held August 13, 2008, previously distributed to the Board were presented for consideration and approval.

Upon motion made by Director Strickland and seconded by Director Stevens, the Board unanimously voted to approve the minutes of the meeting held August 13, 2008, as amended.

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

APPROVED THIS November 12, 2008.

  
Secretary, Board of Directors