

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

February 28, 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 **special session**, open to the public, at the designated meeting place of the Board in the District on **February 28, 2008**, 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 Kay Divin, the District's General Manager; John Davis of Langford Engineering, Inc. ("Langford"), Engineers for the District; Scott Spidle and Chris Zilko of Southwest Water Company, Operators for the District; Jerrell Wolff of Residential Recycling of Texas; Tonya Farmer, PTO President at Lemm Elementary School; Michael J. Ammel of Environmental Development Partners; and Josh J. Kahn 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.

WALKING TRAIL AT LEMM ELEMENTARY

The Board recognized Ms. Farmer, who presented to the Board a proposal regarding construction of a walking trail at Lemm Elementary and inquired as to whether the District would be willing to participate in the costs of such trail. Mr. Davis noted that he met with officials from the school regarding the construction of such trail. Mr. Davis explained that because of special insurance and bidding requirements that apply to school districts in Texas, he recommends that the District just fund money to the school rather than attempt to perform the work on behalf of the school.

Discussion then ensued as to whether the District should pay the entire cost of the trail or if other districts that have residents that attend Lemm Elementary should also be required to participate. The Board requested that Ms. Farmer attend a meeting of Harris Co. MUD No. 104 and make the same request to that board because many students who attend Lemm Elementary live within that district. The Board estimated that approximately 60% of the students at Lemm Elementary live within the District with the other approximately 40% living in Harris Co. MUD No. 104.

After further, discussion, Director Strickland motioned to authorize the expenditure of up to \$22,400 for the walking trail, with the understanding that Ms. Farmer make a request to Harris Co. MUD No. 104 for them to pay 40% of the cost, with any amount paid by Harris Co. MUD No. 104 to be refunded in equal amount back to the District. The motion failed for lack of a second.

Director Stevens then made a motion to pay 60% of the estimated cost of the walking trail, with the understanding that the District may contribute additional amounts if no other funding sources are found. This motion also failed for lack of a second.

Director Stevens then amended his motion to authorize payment for 60% of the estimated cost of the walking trail. The motion was seconded by Director Dowdy and, after further discussion, was approved by a vote of 4 to 1, with Director Strickland opposed.

RECYCLING

The Board then recognized Mr. Wolff, who introduced himself to the Board and explained the recycling program that his company would provide the District. Mr. Wolff presented an example of a flyer that will be distributed to the District's residents. Mr. Wolff continued that recycling would be collected within the District on Saturdays, which is a regular trash collection day in the District. The Board instructed Mr. Wolff to coordinate with Ms. Divin and/or Lori Rosenbower to determine the appropriate schedule for mailouts, delivery of recycling bins and start date for recycling (May 1 or earlier).

Upon motion duly made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to authorize the expenditure of up to \$3000 for mailouts and other flyers to promote recycling within the District.

CLOSED SESSION

Upon motion duly made by Director Satterwhite and seconded by Director Strickland, the Board voted unanimously to convene in closed session at 9:50 a.m. to discuss personnel matters and to conduct a private consultation with its attorney.

OPEN SESSION

Upon motion duly made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to reconvene in open session at 10:00 a.m.

DISCUSS DISTRICT OPERATIONS

The Board explained to the representatives of Southwest Water Company ("SWWC") present at the meeting that all of SWWC employees (other than Chris Zilko) who they have worked with for the last 10-15 years have either left SWWC or been terminated, so the District's comfort level with SWWC has greatly decreased. Director Strickland explained that communications between the operator and the Board prior to repairs being made (which always happened in the past with the previous employees) no longer occurs.

Mr. Spidle introduced himself to the Board and stated that it is his job with SWWC to identify and correct any customer service problems with SWWC. The Board instructed Mr. Spidle to make certain that any and all repairs (other than normal routine maintenance items) must be approved by the District's General

Manager prior to the repair being made. The Board also stated that they would like to see a sign-in sheet at all the District's facilities so that they know if and when an operator inspects such facilities.

The Board next recognized Mr. Ammel, who presented to and reviewed his operations proposal with the Board.

The Board noted that no action would be taken at this meeting on the District's operations.

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

APPROVED THIS April 9, 2008.


Secretary, Board of Directors