

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

**April 9, 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 **April 9, 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 Kay Divin, the District's General Manager; Art Gerzak, Project Manager for the District; John Davis of Langford Engineering, Inc. ("Langford"), Engineers for the District; Ken Streeter with Cypress Creek Town Offices, Ltd. ("CCTO"), a Developer of land in 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 and Lindsay Cain of Southwest Water Company, Operator for the District ("SWWC"); Deputy Constables George Beck and Dianne Hill with Harris County Precinct No. 4; Bob Sordahl, Emmet Poindexter, and Peter Black, residents of the District; Dan McDonald and Todd Gunnels with ANCO-McDonald Waterworks Insurance; 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 93.0% of the District's 2007 taxes have been collected.

Upon motion duly 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.

## **PEACE OFFICER'S REPORT**

The Board recognized Mr. Beck, who noted that the security cameras cannot be accessed. The Board instructed Ms. Divin and the District's Director of Parks and Recreation to get with Wendel Case of Gordon Safe & Lock to make certain that all of the security cameras are operational and can be accessed. The Board noted that all problems with the cameras and all contact with Mr. Case are to be documented and given to the District's Attorneys in case further action is necessary.

Mr. Beck also introduced Constable Hill as the new Deputy Constable that will be working within the District.

## **HEAR FROM THE PUBLIC**

The Board recognized Mr. Black, who inquired about the safety of the PVC pipes protruding from the water features around the lakes, as children are probably going to climb on and around such water features. Mr. Gerczak stated that he would look into the matter to see if anything could be done to make the features safer.

## **OPERATOR'S REPORT**

The Board next recognized Ms. Cain, who presented to the Board the Operator's Report, a copy of which is attached hereto. Ms. Cain reported that the District has 2,242 connections, and a billed to pumped ratio for the prior month of 91.2%. Ms. Cain noted that the District has received a request for an adjustment from the resident at 19819 Cypresswood Drive due to an abnormally high usage last month. Mr. Zilko noted that the meter at that address has been re-read and calibrated and no errors were found. The Board noted that, per the District's Rate Order, the customer was entitled to a one-time adjustment to their water bill equal to the average bill for the previous three months.

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, Ms. Cain 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, and to authorize termination of service to those accounts for which payment was made by a check which was returned for non-sufficient funds.

## **CONSIDER RENEWING DISTRICT INSURANCE**

Consideration was given to a proposal submitted by ANCO-MacDonald Waterworks Insurance to renew the District's insurance. The Board recognized Mr. McDonald and Mr. Gunnels, who explained the proposal to the Board, a copy of such proposal is attached hereto. After further discussion regarding the

proposal, a motion was made by Director Strickland to renew the District's insurance with ANCO-MacDonald Waterworks Insurance. The motion was seconded by Director Satterwhite and passed unanimously.

### **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 Stevens, the Board unanimously voted to approve the Bookkeeper's Report, Investment Report, and the checks presented for payment.

### **ENGINEERING/DEVELOPMENT REPORT**

The Board recognized Mr. Davis who presented the Engineering/Development Report. Mr. Davis noted that the District recently received a water and sewer service application from Enterprise Leasing, Advanced Auto Parts and for a beauty school adjacent to Conn's Appliances.

#### **Portrait Homes/Parkside**

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

#### **Lakes of Cypress Forest and Cypress Forest Lakes**

The Board recognized Mr. Streeter, who noted that Champions Hydro-Lawn damaged the retaining wall behind the tennis courts on the property owned by the Cypress Forest Lakes homeowners' association and that Champions Hydro-Lawn is in the process of making the necessary repairs to such wall.

#### **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 updated the Board on the status of this project.

#### **Kings Village**

The Board noted that construction of Kings Village is underway.

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

No action was taken on this item.

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

Mr. Davis noted that the advertisement for the bids for the installation of the automatic bar screen at the wastewater treatment plant is scheduled to run on April 11, 2008 and April 18, 2008 with the bid opening scheduled for May 2, 2008.

### **Maintenance Building**

Mr. Davis noted that the District has received comments from Harris County on the site plan for the maintenance building. Mr. Gerczak explained that once Harris County approves the site plan, an engineer will sign and seal the plans for the building that meet all necessary fire codes and ADA requirements, etc. and then Mr. Gerczak will submit such plans to Harris County to acquire the building permit.

### **Property Commerce**

Mr. Davis presented a letter from Property Commerce requesting a one-year extension of the water and sewer capacity letter previously issued by the District that is set to expire on June 1, 2008. Mr. Davis reminded the Board that the commitment letter provides for water capacity in the amount of 60,000 gallons per day and wastewater treatment capacity in the amount of 50,655 gallons per day to serve the approximately 12.5-acre site located at the northwest corner of IH-45 and Louetta.

Upon motion made by Director Strickland and seconded by Director Dowdy, the Board unanimously voted to approve a one-year extension of the water and sewer capacity letter for Property Commerce.

### **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 February 21, 2008, February 28, 2008, March 7, 2008 and March 12, 2008**

Proposed minutes of the meeting held February 21, 2008, February 28, 2008, March 7, 2008 and March 12, 2008, previously distributed to the Board were presented for consideration and approval.

Upon motion made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to approve the minutes from the meeting of February 21, 2008, February 28, 2008 and March 12, 2008, as amended, and from the meeting of March 7, 2008, as presented.

### **Order Declaring Unopposed Candidates Elected to Office**

The Board next considered approving an Order Declaring Unopposed Candidates Elected to Office. Mr. Kahn stated that no one other than the two incumbents, Jeannie Satterwhite and Texas Stevens, filed applications to have their name on the ballot for the May 10, 2008 Directors Election. Mr. Kahn stated that because the two candidates were unopposed, the District is not required to hold the May 10, 2008 Directors Election and Director Satterwhite and Director Stevens are each re-elected to a four year term of office ending in 2012. Upon a motion made by Director Strickland, seconded by Director Dowdy, the Board voted unanimously to approve the Order Declaring Unopposed Candidates Elected to Office.

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

APPROVED THIS May 29, 2008

  
Secretary, Board of Directors