

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

**MAY 29, 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 **May 29, 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 Lori Rosenbower, Parks and Recreation Manager for the District; Kay Divin, the District's Water and Sewer Operations Manager; Art Gerczak, Construction Projects Manager for the District; John Davis of Langford Engineering, Inc. ("Langford"), Engineers for the District; Stephen Eustis with RBC Capital Markets Corporation, the District's Financial Advisors; Deputy Constables George Beck and Dianne Hill 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"), Attorneys for the District.

The meeting was called to order and the following business was conducted.

**HEAR FROM PUBLIC**

The Board noted that there were no members of the public who wished to address the Board.

**RECREATION REPORT**

The Board recognized Ms. Rosenbower, who presented the Recreation Report. Ms. Rosenbower noted that the playground equipment for the park area will arrive tomorrow. Ms. Rosenbower discussed the photo identification badge system for the FOSRC, with such system having an initial set-up costs of approximately \$5,100.00.

Ms. Rosenbower next presented and reviewed with the Board a brochure from a company to supply a fan for under the pavilion at a cost of approximately \$4,800.00.

Ms. Rosenbower next discussed with the Board the "catch-and-release" policy for fishing in the lakes at the park. The Board instructed Ms. Rosenbower to contact Lake Management to determine if the policy can now be changed to allow fish to be kept once caught.

The Board then discussed with Ms. Rosenbower the installation of various exercise stations around the walking trails at a cost of approximately \$7,500.00, including the installation of instructional signs around such equipment.

Upon motion duly made by Director Strickland and seconded by Director Stevens, the Board voted unanimously to approve (1) the Recreation Report, (2) the purchase and installation of a fan for under the pavilion at a cost of approximately \$4,800.00, and (2) the installation of various exercise stations and related instructional signage around the walking trails at the park at a cost of approximately \$7,500.00.

#### **CAPITAL CONTRIBUTION TO NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA")**

The Board recognized Mr. Eustis, who presented to and reviewed with the Board various cash flow schedules in connection with the District possibly making a capital contribution to the NHCRWA for their share of the NHCRWA's upcoming bond issue. After reviewing the information presented by Mr. Eustis, and discussing the options available to the District, the Board noted that they would be in favor of making a capital contribution to the NHCRWA. Mr. Kahn next explained the timeline that the District must follow in order to make such capital contribution on or before its due date of October 1, 2008.

#### **ENGINEERING/DEVELOPMENT REPORT**

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

##### **Parkside Trails**

Mr. Davis presented to and reviewed with the Board the revised drainage plans presented by Portrait Homes for its Parkside Trails development within the District. Mr. Davis and Mr. Kahn noted that this plan will require the Development and Financing Agreement between Portrait Homes and the District to be amended to reflect the proposed drainage plan. The Board noted that Portrait will be required to put up an additional deposit for legal and engineering fees associated with reviewing the plans and preparing the amendment to the Development and Financing Agreement. Mr. Davis noted that he will not approve the plans until the Development and Financing Agreement has been amended and approved by all parties.

#### **PEACE OFFICER'S REPORT**

The Board recognized Mr. Beck, who presented the Peace Officer's Report. Mr. Beck discussed the purchase of a handheld radar gun by the District for use exclusively by the Constables within the District.

After further discussion, Director Strickland motioned to approve the purchase of a handheld radar gun by the District at a cost not to exceed \$4,300.00. The motion died for lack of a second.

**PROJECT MANAGER'S REPORT**

The Board recognized Mr. Gerczak, who presented to and reviewed with the Board the Project Manager's Report. Mr. Gerczak updated the Board on the status of the construction of the maintenance barn, including the need for drainage improvements to the site to satisfy Harris County comments to the drainage plan for the site. Mr. Gerczak noted that the total revised cost for the maintenance building (Job #8055), including the build-out of the internal offices is now \$279,500.00.

Upon motion duly made by Director Dowdy and seconded by Director Strickland, the Board voted unanimously to approve the revised cost for the maintenance building (Job #8055) to \$279,500.00.

**ATTORNEY'S REPORT**

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

**Amend Rate Order**

Mr. Kahn and Ms. Divin reviewed with the Board the proposed changes to the District's Rate Order to (i) revise the delinquency provisions, (ii) revise the water and sewer rates for commercial users, (iii) revise the tap fees and (iv) add a provision on Customer Service Agreements.

Upon motion duly made by Director Satterwhite and seconded by Director Stevens, the Board voted unanimously to approve the amendments to the District's Rate Order, effective immediately.

**Resolution on District Expenditures**

Mr. Kahn presented to and reviewed with the Board an Amended and Restated Resolution Regarding Payment of Park and Recreational Project Expenses. Upon motion duly made by Director Strickland and seconded by Director Satterwhite, the Board voted unanimously to approve the Amended and Restated Resolution Regarding Payment of Park and Recreational Project Expenses.

**Approve Minutes of April 8, 2008, April 9, 2008, April 17, 2008 and April 29, 2008**

Proposed minutes of the meeting held April 8, 2008, April 9, 2008, April 17, 2008 and April 29, 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 voted unanimously to approve the minutes from the meetings of April 8, 2008, April 9, 2008, April 17, 2008 and April 29, 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 July 24, 2008

  
Secretary, Board of Directors