

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

APRIL 8, 2009

**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 8, 2009 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 Water and Sewer Operations Manager; Denise Simples employee of 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/Collector for the District; Mike Ammel and Karl Skarboszewski of Environmental Development Partners ("EDP"), the District's Operator; Deputy Constable George Beck with Harris County Precinct No. 4; David Aguilar, Todd Casselman and Tirso Martinez with Republic Waste; Joe Andress, Rick Benson and Gilbert Guerra with OFS Solid Waste Services, Inc. ("OFS"), Bob Sordahl, Vicky Sordahl, Emmett Poindexter and Peter Black, residents of the District; members of the public listed on the attached Attendance Sheet; 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, 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 approximately 92.6% of the District's 2008 taxes have been collected as of this meeting date.

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

HEAR FROM THE PUBLIC

The Board recognized representatives from OFS, who made a presentation regarding garbage collection within the District. Following the presentation, Director Strickland asked for a proposal with three price options: (1) curbside pick-up twice per week; (2) garage door pick-up twice per week; and (3) pick-up twice per week only if trash cans are viewable from the street. The representatives noted that all of the drivers and service personnel are employees of OFS and not hired from an outside servicing company.

The Board then recognized representatives from Republic Waste, who discussed the recent issues with garbage collection within the District. The representatives noted that they are committed to solving the issues.

The Board next recognized Mr. Black, who inquired about glass recycling. Ms. Divin noted that glass recycling started in March.

PARKS AND RECREATION MANAGER'S REPORT

The Board recognized Ms. Simples, who updated the Board on parks and recreation matters.

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 Satterwhite, the Board unanimously voted to (i) approve the Bookkeeper's Report, (ii) approve the Investment Report, as presented, and (iii) to approve the checks presented for payment.

ENGINEERING/DEVELOPMENT REPORT

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

North Harris County Regional Water Authority ("NHCRWA")/Conversion to Surface Water

Mr. Davis updated the Board on the status of the proposed construction of a surface water transmission line by the NHCRWA along Cypresswood Drive. Mr. Davis reminded the Board that once the NHCRWA's surface water line is installed, the District will have to convert the District's water system to treatment by chloramines rather than chlorine.

Siding /Roof/ Bar Screen For Wastewater Treatment Plant

Mr. Davis reminded the Board 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 then presented to and reviewed with the Board Pay Estimate No. 4 from NTS in the amount of \$73,462.05.

Upon motion made by Director Strickland and seconded by Director Stevens, the Board unanimously voted to approve Pay Estimate No. 4 to NTS in the above-stated amount.

Cypresswood Lake Detention Ponds

Mr. Davis explained that Harris County has granted an extension until May 15, 2009 regarding the expired permit and clean-up of the detention ponds in Cypresswood Lake. The Board then discussed the questions from the homeowners association in Cypresswood Lake regarding the District's proposal to accept title to the detention ponds and to pay for the initial clean-up and annual maintenance of such ponds, with the understanding that the costs for both would be passed on to the residents of Cypresswood Lake. The Board instructed Mr. Kahn to prepare a response to the homeowners association.

Spring Park Village Detention Ponds

Mr. Davis then presented to and reviewed with the Board a letter from Harry Jones, which requests the District to take over the permitting for the detention ponds serving Spring Park Village. Mr. Davis noted that this request does not mention maintenance of such ponds. After further discussion, the Board instructed the District's Engineer and Attorney to discuss the matter with Mr. Jones and to determine the best solution for the District.

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 also presented to and reviewed with the Board a copy of the District's 2008 Consumer Confidence Report, which is complete pending receipt of the Texas Commission on Environmental Quality template and data.

Upon motion made by Director Satterwhite and seconded by Director Strickland, the Board unanimously voted to (i) approve the Operator's Report, and (ii) approve the 2008 Consumer Confidence Report, subject to receipt of the Texas Commission on Environmental Quality template and data.

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 proposed 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 Strickland, 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.

WATER AND SEWER OPERATIONS MANAGER'S REPORT

The Board recognized Ms. Divin, who presented the Water and Sewer Operations Manager's Report. Ms. Divin discussed the issue at the home of Mr. and Mrs. VonMinden. Ms. Divin noted that the line was recently smoke tested, revealing several illegal service connections from adjacent homes. Ms. Divin also noted that there are two sags in the line serving the VonMinden's home.

Mr. Davis suggested taking elevation surveys to make certain that the District's main was installed at a depth necessary to serve the homes in the area, including the VonMindens.

The Board instructed Mr. Davis to perform the surveys and report back to the Board.

ATTORNEY'S REPORT

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

Minutes of Meetings of March 11, 2009, March 19, 2009 and March 28, 2009

Proposed minutes of the meetings held March 11, 2009, March 19, 2009 and March 28, 2009, 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 March 11, 2009, March 19, 2009 and March 28, 2009, as amended.

Identity Theft Prevention Program

Consideration was then given to a proposed Resolution Establishing an Identity Theft Prevention Program. The Board recognized Mr. Kahn, who explained that the Federal Trade Commission ("FTC") recently adopted rules pursuant to 15 USC 1681 (the Fair and Accurate Credit Transactions Act of 2003) implementing a program for the purpose of preventing identity theft. Under these rules (16 CFR 681), every "creditor" must adopt and implement an Identity Theft Prevention Program designed to detect and report certain "red flags" with regard to covered accounts. Mr. Kahn continued that the District fits the definition of a "creditor" under these rules because the District provides utility services to its residents in advance of payment therefor. As such, the District must adopt an Identity Theft Prevention Program designed to detect and report these "red flags" with regard to the District's accounts. Mr. Kahn explained that because the District does not administer its own accounts, but contracts with consultants, it is necessary to verify that the District's Operator and Tax Assessor/Collector are implementing and following such identity theft rules. To accomplish this, the District's proposed Identity Theft Prevention Program requires these consultants to either (1) execute a certificate acknowledging receipt of the District's Identity Theft Prevention Program and the implementation thereof with regard to the District's accounts, or (2) provide to the District a copy of the consultant's identity theft prevention policy that will be implemented with regard to the District's accounts.

After further discussion and upon a motion by Director Strickland, seconded by Director Stevens, the Board voted unanimously approve the Resolution Establishing an Identity Theft Prevention Program.

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

APPROVED THIS _____.


Secretary, Board of Directors