

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

**JUNE 30, 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 **special session**, open to the public, at the designated meeting place of the Board in the District on **June 30, 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 Jody Dellinger, Parks and Recreation Manager for the District; Kay Divin, Water and Sewer Operations Manager for the District; Deputy Constables George Beck and Ronnie Glaze with Harris County Precinct No. 4; Emmett Poindexter and Bob Surdahl, residents of the District; 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.

**HEAR FROM THE PUBLIC**

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

**PEACE OFFICER'S REPORT**

The Board recognized Sergeant Beck, who requested that the Board consider hiring another peace officer for the District. Mr. Beck reviewed with the Board the recent crime statistics in within the area.

The Board noted that no action is needed in conjunction with the Peace Officer's Report.

**BOND DEFEASANCE**

The Board reviewed a Memorandum from the District's Financial Advisor, RBC Capital Markets Corporation, relating to the possible defeasance of a portion of the District's outstanding bonds on September 1, 2009. The Board discussed the various defeasance scenarios outlined in the Memorandum.

After further discussion, upon a motion by Director Dowdy, seconded by Director Strickland, the Board voted unanimously to authorize the defeasance, on September 1, 2009, of \$715,000 of the District's Series 2001 Bonds maturing in 2026 with \$415,000 of such funds coming from the District's Debt Service Fund and \$300,000 of such funds from the District's Operating Fund.

**BUDGETS FOR FISCAL YEAR ENDING JULY 31, 2010**

The Board next discussed the proposed budgets for the fiscal year ending July 31, 2009 (the overall budget, the Parks and Recreation Budget and the Water and Sewer Operations budget). The Board noted that the Water and Sewer Operations budget should not be separate from the District's overall budget. Mr. Kahn reminded the Board that a budget for the next fiscal year is required to be adopted before the end of the District's current fiscal year.

After further discussion regarding the proposed budgets, the Board requested that Director Dowdy meet with Mr. Dellinger to finalize the Parks and Recreation budget and to present the recommended Parks and Recreation budget to the Board for consideration and approval at the District's regular meeting on July 8, 2009.

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

APPROVED THIS August 12, 2009.

  
Secretary, Board of Directors