

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

JULY 16, 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 **July 16, 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; Art Gerczak, Construction Projects Manager for the District; Deputy Constable Dianne Hill with Harris County Precinct No. 4; John Davis of Langford Engineering, Inc. ("Langford"), Engineers for the District; Tirso Martinez and Teri League with Republic Waste Services; Emmett Poindexter, Bob Surdahl and Troy Sowell, residents of the District; 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.

REPUBLIC WASTE SERVICES

The Board recognized Mr. Martinez and Ms. League, who discussed with the Board the issues that the District is having with the trash collection service provided by Republic Waste Services. Mr. Martinez and Ms. League informed the Board that there have been personnel changes within the company for those employees who are assigned to the District. Mr. Martinez stated that he has met with the current crews assigned to the District and has explained the issues and changes required. Ms. League noted that she is working on a route audit to improve efficiency within the District.

ENGINEERING/DEVELOPMENT REPORT

The Board recognized Mr. Davis who presented the Engineering/Development Report. Mr. Davis discussed the expansion of the sanitary sewer line along Holzwarth Road (the "Project"). Mr. Davis noted that recent projects in other districts are coming in approximately 25% below the engineer's estimate so it may be beneficial for the District to authorize his firm to advertise for bids for such Project to see what price the District can get. Mr. Kahn noted that the District has the ability to reject all bids for the Project if they do not like the costs.

After further discussion regarding the Project, Director Stevens motioned to authorize the District's Engineer to finalize the plans for the Project and to advertise for bids for such Project once the plans are complete. The motion was seconded by Director Satterwhite and approved by unanimous vote.

PEACE OFFICER'S REPORT

The Board recognized Ms. Hill, who presented the Peace Officers Report.

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

CONSTRUCTION PROJECTS MANAGER'S REPORT

The Board recognized Mr. Gerczak, who presented to and reviewed with the Board the Construction Projects Manager's Report. Mr. Gerczak noted that the final costs for Job No. 9062 was over budget by approximately \$11,000.00 because the costs for the large berm in the park were included in that Job No. Mr. Gerczak updated the Board on the status of projects previously authorized by the Board.

Mr. Gerczak also inquired as to whether the District would be interested in purchasing two (2) attachments to the Bobcat utility tractor that he personally owns. Mr. Gerczak noted that he paid approximately \$4,000.00 for such equipment but he would sell it to the District for \$2,000.00 total. Mr. Dellinger noted that he could definitely use the equipment to maintain the park.

After further discussion, upon a motion by Director Strickland, seconded by Director Stevens, the Board voted unanimously to approve the Construction Projects Manager's Report and to authorize the purchase of the two (2) attachments to the Bobcat utility tractor from Mr. Gerczak in the amount of \$2,000.00.

HEAR FROM PUBLIC

The Board recognized Mr. Sowell, who informed the Board that there is a water leak in the esplanades along Cypresswood Drive. Ms. Divin noted that she would look into the matter.

PARKS AND RECREATION MANAGER'S REPORT

The Board recognized Mr. Dellinger, who presented the Parks and Recreation Manager's Report.

Mr. Dellinger presented to and reviewed with the Board a resolution of the District requesting to join the State of Texas Co-Op Program. Mr. Dellinger explained that such program, similar to the program the District has become a member of through the Harris Galveston Area Council, will allow the District to purchase various materials and equipment through the State of Texas at rates much lower than those offered through other suppliers.

Upon motion made by Director Satterwhite and seconded by Director Stevens, the Board unanimously voted to approve the resolution to join the State of Texas Co-Op Program.

Mr. Dellinger next discussed increasing the out-of- District membership dues of the Forest Oaks Swim & Racquet Club ("FOSRC") to \$50.00 per month (from the current rate of \$25.00 per month).

Upon motion made by Director Satterwhite and seconded by Director Stevens, the Board voted 3-2 to increase the out-of- District membership dues of the FOSRC to \$50.00 per month.

Director Strickland then made a motion to amend the previous motion to direct Mr. Dellinger to implement the increased dues by October 1, 2009. The Board also asked Mr. Dellinger to gather information on the usage of the various facilities within the FOSRC in order to explore possible alternative membership classes that only allow use of certain facilities (pool, tennis, fitness center, etc.). After further discussion, the motion was seconded by Director Stevens and approved by unanimous vote.

The Board then discussed increasing the in-District membership dues to help pay a portion of the increased costs to operate and maintain the FOSRC.

Upon motion made by Director Dowdy and seconded by Director Strickland, the Board voted unanimously to increase the in-District membership dues of the FOSRC to \$25.00 per month and to increase the in-District senior membership dues of the FOSRC to \$12.50 per month, effective January 1, 2010.

Mr. Dellinger next discussed the installation of new flooring in the fitness center and also the purchase of new equipment for the fitness center. Mr. Dellinger presented an estimate from Custom Sports Surfacing for "Mondo Sport Impact" flooring for a total cost of between \$22,000.00 and \$25,000.00, depending on the type of overlay deemed necessary. Mr. Dellinger estimated the cost for the new equipment for the fitness center to be approximately \$40,000.00.

Upon motion made by Director Dowdy and seconded by Director Strickland, the Board voted unanimously to (i) authorize the installation of new flooring in the fitness center, at a cost not to exceed \$23,000.00 and (ii) authorize the purchase of new equipment for the fitness center, at a cost not to exceed \$40,000.00.

The Board also discussed what to do with the used fitness equipment. Mr. Kahn explained that the District can declare the equipment to be surplus and not needed by the District. Following such declaration, the equipment may be sold by either public or private sale.

After further discussion, upon a motion by Director Dowdy, seconded by Director Stevens, the Board voted unanimously (i) to declare the current fitness equipment as surplus personal property of the District that will no longer be needed by the District once the new fitness equipment is installed and (ii) to authorize Mr. Dellinger to dispose of such surplus property in the best way possible.

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