

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

NOVEMBER 23, 2010

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| THE STATE OF TEXAS | § |
| COUNTY OF HARRIS | § |
| HARRIS COUNTY WATER CONTROL AND | § |
| IMPROVEMENT DISTRICT NO. 110 | § |

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 **November 23, 2010 at 6:00 p.m.**, whereupon the roll was called of the duly constituted officers and members of the Board, to-wit:

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| James N. Williams | - | President |
| Jeannie Sebastian | - | 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, the District’s Water and Sewer Operations Manager; John Davis of Langford Engineering, Inc. (“LEI”), Engineers for the District; Deputy Constable George Beck with Harris County Precinct No. 4; Bob Sordahl and Emmett Poindexter, Jr., residents of the District; and Josh J. Kahn of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), Attorneys for the District.

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

ENGINEERING/DEVELOPMENT REPORT

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

Sanitary Sewer Line Project along Holzwarth Road – Mr. Davis noted that the initial work on the sanitary sewer line project is underway.

Storm Water Pollution Prevention Plant (“SWPPP”) – Mr. Davis provided clarification on the SWPPP that was discussed at the District’s November 10, 2010 meeting. Mr. Davis explained that the SWPPP is for storm water runoff from an industrial classified facility (the District’s Wastewater Treatment Plant) and requires sampling of the storm water as it leaves the WWTP site to ensure that no pollutants are being discharged to the surrounding drainage features such as the Harris County Flood Control ditch. The sampling can be performed by Ms. Divin or the District’s Operator and the results of such sampling must be maintained for review by the Texas Commission on Environmental Quality, if requested.

The Board noted that no action is necessary in connection with the Engineer’s Report.

WATER AND SEWER OPERATIONS MANAGER'S REPORT

The Board recognized Ms. Divin, who presented the Water and Sewer Operations Manager's Report.

Amend Rate Order – The Board next discussed possible amendments to the District's Rate Order.

The Board discussed the operation of several hospices within the District. Ms. Divin noted that each of the hospices is being billed as a commercial customer. The Board questioned whether the hospices were operating in accordance with the rules and regulations pertaining to commercial customers contained in the District's Rate Order. The Board instructed the District's Attorney to send a letter to each hospice requiring them to submit documentation that they are operating in accordance the District's Rate Order prior to February 15, 2011. The Board also noted that the hospices should not receive trash collection service from the District as the District does not provide trash collection service to commercial customers. The Board instructed Ms. Divin to have Waste Connections of Texas notify each of the hospices that they will no longer receive trash collection service from the District because they are a commercial customer.

Ms. Divin noted that she is almost out of recycling bins to distribute to residents of the District. Ms. Divin suggested that the District start charging residents for the recycling bins. Ms. Divin also noted that she would like to purchase additional bins (approximately \$6.00/each)

The Board next discussed amending the District's Rate Order to increase the application fee to \$25.00 (up from \$15.00) which would cover the cost of one recycling bin for each new customer.

Mr. Davis requested that the District also amend its Rate Order to require all commercial customers to install a meter on their dedicated fire line.

Upon a motion made by Director Sebastian and seconded by Director Strickland, the Board unanimously voted to (i) authorize Ms. Divin to purchase additional recycling binds, not to exceed \$1,000.00 and (ii) approve amending the District's Rate Order to increase the application fee to \$25.00 and require all commercial customers to install a meter on their dedicated fire line.

PARKS AND RECREATION MANAGER'S REPORT

The Board recognized Mr. Dellinger, who presented the Parks and Recreation Manager's Report. Mr. Dellinger discussed the recent Fall Festival in the park.

The Board noted that no action is necessary in connection with the Parks and Recreation Manager's Report.

ATTORNEY'S REPORT

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

Mr. Kahn discussed the recent time off (8 days) taken by Ms. Divin as a result of her staph infection. The Board discussed paying Ms. Divin for a portion of such time since she worked from home on District matters and because she had an infectious disease and was instructed by a doctor to not be around other employees.

Upon a motion made by Director Strickland and seconded by Director Dowdy, the Board unanimously voted to charge 3 of the 8 days taken off by Ms. Divin to her annual allotment of time off and to not charge her for the other 5 days taken off.

The Board next discussed information Director Williams received from Utiligent regarding a mass notification system for the District to use during an emergency. After further discussion, the Board noted that such a system is not necessary at this time.

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