

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

**JUNE 1, 2010**

**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 1, 2010 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, the District's Water and Sewer Operations Manager; Stephen Eustis of RBC Capital Markets, Financial Advisor for the District; Lance Chernou, Fred Hazel and Heath Hawkins with Davis Development Bob Sordahl and Emmett Poindexter, residents of the District; and Maria S. Parker 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.

**HEAR FROM PUBLIC**

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

**HEAR FINANCIAL ADVISOR'S REPORT**

The Board recognized Mr. Eustis, who discussed with the Board the proposed issuance of \$2,470,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Refunding Bonds, Series 2010 (the "Refunding Bonds"), as well as the cost of such issuance, an analysis of present value savings, and an outline of the bonds selected for refunding. He further advised that the issuance amount could vary depending on market activity over the next few weeks.

**RESOLUTION REGARDING DELEGATION OF AUTHORITY FOR THE SALE OF WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE REFUNDING BONDS, SERIES 2010**

Ms. Parker advised the Board that in instances where the terms to refund bonds are not final, Section 1207.007 of the Texas Government Code provides that a political subdivision such as the District may delegate to a member of the Board of Directors the authority to select specific maturities of bonds to be refunded and to effect the sale of the refunding bonds provided that the Board of Directors (i) authorizes the maximum principal amount of refunding bonds that may be issued and the maximum rate of interest to be borne by the refunding bonds; (ii) identifies the potential bonds that may be refunded; and (iii) recites the public purpose for which the refunding bonds are to be issued. The Board then discussed the parameters of said authority.

Upon motion duly made by Director Strickland and seconded by Director Dowdy, the Board voted unanimously to (i) approve the issuance of the Refunding Bonds so long as the District achieves a net present value savings, expressed as a percent of the principal amount of the bonds being refunded, of at least 3.00%, (ii) delegate to Tom Dowdy or, in his absence, any other officer of the Board, the authority to select the specific maturities of the Series 2001 Bonds to be refunded and to effect the sale of the Refunding Bonds, including the execution of documents related to the refunding bond sale, including, but not limited to, the Bond Purchase Agreement, and (iii) approve the Resolution Regarding Delegation of Authority.

**CONSIDER ADOPTING PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING DISTRIBUTION THEREOF**

The Board then considered approval of the Preliminary Official Statement for the Refunding Bonds. Mr. Eustis reviewed with the Board a draft of the Preliminary Official Statement and answered questions regarding the same.

Upon motion by Director Satterwhite, seconded by Director Dowdy, and after full discussion, the Board voted unanimously to approve the Preliminary Official Statement substantially in the form submitted by Mr. Eustis and to authorize distribution of the same.

**PARKS AND RECREATION MANAGER'S REPORT**

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

Mr. Dellinger discussed a recent motor vehicle accident that one of the District's employees recently had with Cindy Thornby. Mr. Dellinger stated that the accident was the fault of the District's employee and that the estimated damage to Ms. Thornby's vehicle is approximately \$1300 plus approximately \$300 for a rental car.

The Board next discussed the use of the District's Boardroom by the Enchanted Oaks Homeowners Association ("EOHOA") and also payment of a clubhouse rental fee by the EOHOA prior to use of the clubhouse. The Board noted that all seven (7) homeowners associations within the District are to be treated equally with no preference to be shown to any particular homeowners association. The Board also noted that no entity is allowed to use the District's Boardroom for meetings and no entity is allowed to use the clubhouse without paying the applicable rental fee and deposit.

Mr. Dellinger next discussed several repairs that need to be made to the District's park and recreational facilities, including (i) replacement of the tennis court wind screens at a cost of approximately \$6000, (ii) painting of the fence surrounding the District's facilities at a cost of approximately \$5000, and (iii) installation of an irrigation system along the nature walk trail in the park at a cost of approximately \$3500.

Upon motion duly made by Director Dowdy and seconded by Director Stevens, the Board voted unanimously to approve the Parks and Recreation Manager's Report and to authorize the repairs to the District's park and recreational facilities, as requested.

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

APPROVED THIS July 14, 2010.

  
Secretary, Board of Directors