

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70
Minutes of Meeting of Board of Directors
August 7, 2019

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 70 ("District") met at 2935 Foley Road, Crosby, Harris County, Texas 77532 on August 7, 2019, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Bobby Crippens, President
Terry Lutz, Vice President
Randall Keith Adams, Secretary
Jim Raines, Director/Treasurer

and the following absent:

None.

Also present were, Pam Graham, Bob Ideus, Sam Werner, Terry Stevens, and G. Taylor Goodall, Jr.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. The Board considered the minutes of the meeting held on July 10, 2019. After brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. Representatives of Crosby ISD & Sherri Wells, representing the Metyco family, discussed the sale of the Metyco property. Mr. Fred Fargo, representing Crosby ISD approached the Board. Mr. Goodall noted Fred Fargo also serves on a Board represented by Mr. Goodall. After discussion, the Board voiced no objection to A&S engineering conducting a water distribution analysis upon Crosby ISD providing a deposit in the amount of \$20,000.00.

3. The tax assessor/collector presented a tax assessor/collector's report. The District taxes are 97.51% collected. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the tax assessor-collector's report as presented and authorized disbursement of the funds contained therein.

4. Terry Stevens presented an operator's report, copy attached. Mr. Stevens noted a problem with Water Plant No. 2. After discussion, the Board did not authorize the purchase of a new booster pump due to the fact that the engineers have a plan to immediately put Water Plant No. 1 online. Should that fail, the Board authorized an expenditure of up to \$9,200.00 for a new pump. Mr. Stevens presented a proposal for additional paving at a District office building parking lot. After discussion, the Board approved a maximum expenditure of \$22,000.00 for the parking lot. The Board approved Jr. doing field inspections. After review brief review and discussion of the report, upon motion duly made and seconded, the Board

authorized the District's operator to proceed with termination of utility service pursuant to provisions of the Rate Order and approved the operator's report as presented.

5. Sam Werner presented an engineer's report, copy attached. The engineers requested that the Board approve the Job Assignment Proposal for the Marina Lift Station improvements in order to initiate the design process. The Board approved Mr. Goodall discussing financing. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the engineer's report as presented and the action items contained therein.

6. Mr. Bob Ideus presented the bookkeeper's report, copy attached. The District's operating fund balance is \$1,707,746.18. After brief review and discussion, upon motion duly made and seconded, the Board approved the bookkeeper's report as presented and authorized disbursement of the funds contained therein.

7. The Board considered the fiscal year end 2020 budget. The Board reviewed the draft budget with Mr. Ideus, and after discussion, upon motion duly made and seconded, the Board unanimously approved the attached Resolution Adopting the Operating Budget for Fiscal Year Ending August 31, 2020 as presented.

8. The Board then considered confirmation of the previous engagement of an auditor to perform the audit for the fiscal year ending August 31, 2019. The Board reviewed an audit continuance letter from McCall Gibson Swedlund Barfoot, PLLC. The letter confirms a previously provided evergreen audit engagement letter dated September 5, 2018. The firm's proposed budget for preparation of the audit would be between \$10,000 and \$11,000. The Board confirmed the prior engagement of McCall Gibson Swedlund Barfoot, PLLC to perform the audit.

9. Pam Graham then reviewed a billing and collections report, copy attached. The District collected \$40,455.44 during the month. After brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the billing and collections report as presented.

10. The Board then discussed increasing the compensation for meter readers from \$1.05 to \$1.25.

11. The Board considered public comments.

There being no further business to consider, the meeting was adjourned.

Secretary