

## **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70**

Minutes of Meeting of Board of Directors

September 7, 2016

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 September 7, 2016, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Nora Caufield, President  
Kenneth Michael Higgins, Vice President  
Steve Kimes, Secretary  
Randall Keith Adams, Assistant Secretary

and the following absent:

None.

Also present were Don Guillory, Pamela Graham, Bob Ideus, Greg Lentz, Vickey Smith, G. Taylor Goodall, Jr., and persons on the attached list.

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 August 3, 2016. After a brief review and discussion, upon motion made by Director Higgins, seconded by Director Adams, the Board unanimously approved the minutes as presented.

2. At 6:33 p.m., the Board entered into executive session to discuss recent issues regarding security of District facilities. At 6:46 p.m., the Board exited executive session. The Board then considered an agenda item regarding the Lake Shadows Civic League. As no representatives of the League were present, the item was tabled and the attorney instructed to remove the item from the October agenda.

3. The Board considered appointment of a new director. There was lengthy discussion regarding the various individuals seeking to be appointed to the position. Mr. Goodall reiterated two points for consideration. First, the law provides that the Board make efforts to appoint a new director within 60 days of a vacancy on the Board of Directors. If no such appointment is made, the TCEQ technically has the authority to appoint a director after certain procedural requirements are satisfied. Second, it is not the opinion of Mr. Goodall or the attorneys of Smith, Murdaugh, Little & Bonham, L.L.P. that an individual who builds homes within the District, but does not otherwise subdivide land for development, falls under the legal definition of a developer which would preclude him from serving on the Board. The Board engaged in discussion regarding the merits of the resumes of the individuals expressing interest for appointment. After discussion, upon motion made by Director Kimes, seconded by Director Adams, the Board tabled appointment of a director for the time being.

4. The Board reviewed the tax assessor/collector's report, copy attached. The District's 2015 taxes are 98.04% collected. One check was voided. After a brief review and discussion, upon motion made by Director Higgins, seconded by Director Adams, the Board unanimously approved the tax assessor/collector's report as presented and authorized issuance of the checks listed therein.

5. The Board discussed the 2016 proposed tax rate with the financial advisor representative Greg Lentz. After a review and discussion, upon motion made by Director Adams, seconded by Director Higgins and unanimously carried, the Board approved the recommendation of \$0.205 per \$100 assessed valuation for debt service and \$0.40 per \$100 assessed valuation for maintenance and operations, for a total 2016 tax rate of \$0.605. The Board authorized the tax assessor/collector to publish notice as required by law.

6. Don Guillory presented the operator's report, copy attached. Crawford Technical Services repaired the jockey pump and check valve at the sewer plant lift station, and a water line was repaired at 3746 Shore Shadows. Four loads of sludge were hauled from the sewer plant, and the back-up generator at the District office building was installed and is in service. Chlorinator Maintenance replaced the chlorinator regulators at the new water plant and it is now working properly. In response to an inquiry from Director Higgins regarding the frequently troublesome chlorinators, Don Guillory noted that the regulator has now been replaced at no charge to the District. A free upgrade was performed on the communication control at the Marina Lift Station, and the annual CCR was distributed as approved by the TCEQ. Subject to that discussion, upon motion by Director Higgins, seconded by Director Kimes, the Board unanimously approved the operator's report as presented.

7. Bob Ideus presented the bookkeeper's report, copy attached. The District's operating fund contains \$1,291,678.56. The report showed that the fiscal year end for 2016 resulted in a \$71,527.10 surplus for the year. After further review and discussion, upon motion made by Director Higgins, seconded by Director Kimes, the Board unanimously approved the bookkeeper's report as presented and authorized issuance of the checks listed therein.

8. Vickey Smith presented the billing and collections report, copy attached. The District collected \$41,108.43 during the month. There was discussion regarding accounts that were locked-out. It was noted that, in the event a customer is known to be locked-out and yet continues to live at the address, County authorities, including constables, should be informed of the situation. The customer at 3203 Foley Road appeared before the Board and, after discussion regarding the customer being locked-out for failure to pay, it was decided that the operator should restore service to the account if the bill of \$386.11 is paid via money order or certified check. Mr. Goodall reminded the Board that, in the event a customer with a locked-out account is observed to be stealing District water, photographic evidence should be obtained if it can be done so safely and the authorities should be notified. After a brief review and discussion, upon motion by Director Kimes, seconded by Director Adams, the Board unanimously approved the report as presented.

9. The Board considered an engineer's report, seeing none, the Board noted that they were satisfied with the explanation for the prior month's check and authorized Mr. Ideus to release the check to the engineer.

10. The Board considered a request from the Deer Run Estates Homeowners Association. Nathan Bodiford appeared before the Board and requested that the Association be allowed to erect an approximate eight-foot by six-foot storage building on District land immediately adjacent to the pond. Upon motion made by Director Adams, seconded by Director Kimes, the Board tabled the item until the October Board meeting to allow Don Guillory an opportunity investigate the proposed building and location.

11. The Board considered public comments. There was a request from homeowners in Deer Run Estates for the detention pond to be pumped down more often, and it was noted that Don Guillory pumps the pond in a manner that both satisfies the need of to pump the pond down while also preventing downstream flooding. It was noted that the poor condition of the channels on either side of Foley Road is a matter that falls under the responsibility of Harris County, and the local precinct shall be contacted by District residents regarding the matter. There was further discussion regarding individuals pouring items in storm sewers, and it was noted that if such activities are observed, they should immediately be reported to Harris County as Harris County has jurisdiction over storm sewers. There was discussion regarding the possibility of the District's solid waste collection service providing a used oil pickup service, and it was noted by Director Adams that the Board reviewed the issue in the past but found it cost prohibitive.

There being no further business to come before the Board, the meeting was adjourned.

---

Secretary