

**HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70**  
Minutes of Meeting of Board of Directors  
June 1, 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 June 1, 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 Eddie Robinson, Don Guillory, Vicki Smith, Bob Ideus and Lisa Stephens.

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 May 4, 2016. Upon motion made by Director Higgins, seconded by Director Kimes and unanimously carried, the Board approved the minutes as presented.

2. It was noted that the May 7, 2016 Directors Election had been canceled because there had been no candidates in opposition to the incumbent directors. Certificates of Election were executed by the President certifying that the directors whose terms expired were deemed elected on May 7, 2016 to serve four-year terms on the Board. The newly elected directors each presented a letter stating their qualifications, a Statement of Elected Officer and an Oath of Office. Lisa Stephens noted that the statements and oaths are in proper legal form and upon motion duly made, seconded and unanimously carried, the Board approved the statements and oaths of the newly elected directors.

3. The Board considered appointment of a new director. After discussion, the Board requested that an item be included on the agenda for the July meeting for further consideration.

4. The Board considered an election of officers. Director Higgins made a motion that the officers stay as they are. Director Adams seconded the motion which carried by no opposition.

5. The Board considered the tax assessor/collector’s report; however, it was noted that an individual copy of the report had not been made available for each of the directors. Vicki Smith indicated that she would make copies of the report on the following day to provide to the Directors. The District’s 2015 taxes were 96.85% collected, as reflected in the report and a statement was made that nothing appeared in the report to be out of the ordinary. After a brief

discussion, upon motion made by Director Higgins, seconded by Director Kimes and unanimously carried, the Board approved the attached tax assessor/collector's report as presented and authorized issuance of the checks listed therein, pending any further comments from the Board.

6. Don Guillory presented the attached operator's report. A tree on the property adjacent to Water Well #2 fell on the back fence at the well. Director Kimes advised the Board that the owner of the property had indicated his willingness to provide his insurance information to the District for the damage. Mr. Guillory reported that a spare pump had been purchased for the lift stations at Old Galley Way. The Board expressed concern regarding the number of pumps that have been purchased and the associated costs incurred. In response to a question raised as to why the pumps continue to go out, it was mentioned that service had been subpar. There was discussion as to the potential of standardizing a spare pump that would work at all facilities as needed. It was mentioned that the District has probably purchased about 6 pumps in the past three years. Director Kimes requested the operator to provide documentation at the July meeting showing the history of pump purchases and associated costs for the past three years. The Board reviewed a quote in the amount of \$4,227.30 for a standby generator for the administration building. It was mentioned that one thing a standby generator would solve is the ongoing problem of the computers going out. Upon inquiry, Mr. Guillory advised that the quote did not include installation of the generator. The Board discussed potential security measures to protect the generator, and requested Mr. Guillory to obtain a quote for installation which should include also include securing the generator. After further discussion, upon motion duly made by Director Higgins, seconded by Director Adams and unanimously carried, the Board approved the operator's report as presented.

7. The Board then considered water conservation, water rates and irrigation meters. After extensive discussion, the Board agreed that effective immediately, the District would no longer provide irrigation meters. Upon a motion made by Director Kimes to amend the rate order accordingly, seconded by Director Higgins, with Director Adams abstaining, the attached Resolution for Adoption of Order Establishing Policy and Rates for Water and Waste Collection and Disposal Service and Storm Water Control and Imposition of Penalties (the "Rate Order") was adopted, with an effective date of June 1, 2016. The Board followed by acknowledging that the District is responsible for and will continue to service the irrigation meters installed prior to June 1, 2016.

8. The Board reviewed the attached correspondence from Eddie Robinson regarding continued problems he has encountered with builders not complying with the rules for fabric fence protection. Articles VII and VIII of the Rate Order were reviewed which discuss various District requirements of developers and builders, and penalties for violations of same. Mr. Robinson indicated that the importance of compliance with District requirements should be relayed by the civic association when builders apply for a permit. After discussion, it was agreed that Director Caufield would follow up with the civic association in an effort to improve communication in this regard.

9. Bob Ideus presented the attached bookkeeper's report. After discussion, upon motion made by Director Higgins, seconded by Director Kimes and unanimously carried, the Board unanimously approved the bookkeeper's report as presented and authorized issuance of the checks listed therein.

10. Vicki Smith presented the attached billing and collections report. The District collected \$34,136.05 during the month, as reflected in the report. After a brief review and discussion, upon motion by Director Higgins, seconded by Director Adams and unanimously carried, the Board approved the billing and collections report as presented.

11. Ms. Stephens advised the Board that the District's investment officer is required to disclose any personal business relationships with business organizations offering to engage in an investment transaction with the District, to which the District is required to review annually in order to ensure its continuing accuracy. Ms. Stephens reported that the attached annual disclosure had been received from the District's investment officer, Bob Ideus, and that said disclosure is appropriate with no conflicts. Ms. Stephens further advised the Board that the disclosure would be submitted to the Texas Ethics Commission.

12. The Board reviewed a Director and Agent Questionnaire for Conflicts Disclosure Statement. Ms. Stephens mentioned that the directors may recall completing a conflict disclosure questionnaire in the past, but they are provided annually to ensure continuing accuracy. The directors then completed and returned their questionnaires which indicated no conflicts.

13. Ms. Stephens then advised the Board that the District is required to submit an annual update to its previously submitted critical load and emergency operations information related to the District's facilities. Ms. Stephens noted that the operator had reviewed the last submission and confirmed there were no changes, and that an annual update will be submitted on behalf of the District accordingly.

14. Don Guillory presented the attached engineer's report. After a brief discussion, upon motion made by Director Higgins, seconded by Director Kimes and unanimously carried, the Board approved the engineer's report as presented.

15. The Board considered public comments, and with there being none, the President continued with the agenda.

16. Don Guillory reported that Mr. and Mrs. Patterson had properly installed a fence on their property, but that the Patterson's trailer remained on the District's property. The Board noted that it will still be the Patterson's responsibility to maintain the District's property while any of the Patterson's property sits on the District's property.

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

---

Secretary