

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

### **Minutes of Meeting of Board of Directors June 3, 2015**

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 3, 2015, 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  
Terry L. Stevens, Director

and the following absent:

none.

Also present were Brandy Woods, Bob Ideus, Vicki Smith, Don Guillory, Eddie Robinson, Bobby Crippens, Ryan Nokelby, David Hunn, Terry Lutz, 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 minutes of the meeting held on May 6, 2015 were presented and reviewed. Upon motion made by Director Higgins, seconded by Director Stevens, the Board voted unanimously to approve the minutes as presented.

2. Brandy Woods presented a tax report, copy attached, and noted that 2014 taxes are 97.48% collected. Upon motion by Director Higgins, seconded by Director Kimes, the Board voted unanimously to approve the tax assessor-collector’s report as presented.

3. Don Guillory presented an operator/manager’s report, a copy of which is attached to these minutes. Mr. Guillory reviewed the 2014 Consumer Confidence Report with the Board and confirmed that it would be distributed as required by law no later than June 30, 2015. Subject to further review and discussion, upon motion by Director Higgins, seconded by Director Kimes, the Board voted unanimously to approve the operator/manager’s report as presented.

4. Mr. Goodall noted that, at minimum, the Board must make a filing with the State of Texas regarding District facilities for the critical load and emergency operations database. Such filing is intended to aid the restoration of utility service to critical infrastructure in the event of an emergency. In addition, the District must provide various state and local agencies with contact information of District operations personnel. The attorney’s office has been in contact with the District engineer and operator to make the appropriate filing on the District’s behalf. The Board authorized Mr. Goodall to make the necessary filings.

5. Bob Ideus presented a bookkeeper's report, copy attached. There was significant discussion regarding the need for Mr. Ideus to provide a more specific explanation of the District's outstanding indebtedness and debt service schedules in his report. Furthermore, after discussion of the District's current indebtedness, it was decided that it would be appropriate for Mr. Goodall to speak with the District's financial advisor, Greg Lentz, regarding the possibility of refinancing and/or retiring debt early in order to save the District on interest payments. Mr. Goodall agreed to have Mr. Lentz provide an analysis of refinancing and/or retiring options at the Board's next meeting. Subject to that discussion, upon motion made by Director Kimes, seconded by Director Higgins, the Board voted unanimously to approve the bookkeeper's report as presented and to authorize issuance of the checks listed thereon.

6. Ryan Nokelby and David Hunn presented an engineering report, copy attached. The engineers confirmed with Harris County the relevant storm water quality permit renewal date and they will ensure that the permit is renewed in a timely manner moving forward. There was a brief discussion regarding the status of the wastewater treatment plant. Subject to that discussion, upon motion by Director Higgins, seconded by Director Stevens, the Board approved the engineer's report as presented.

7. Vicki Smith presented a billing and collections report, copy attached. After a brief review of the report, upon motion by Director Higgins, seconded by Director Stevens, the Board voted unanimously to approve the billing and collections report as presented.

8. The Board considered the ethics letter and update by the District's investment officer. Mr. Goodall reported that the District's investment officer is required, on an annual basis, by the Public Funds Investment Act to file an ethics letter and disclosure update. It was noted that the District's bookkeeper/investment officer filed the necessary document noting that there were no ethical conflicts to disclose and that Mr. Goodall's office would file the letter as required by law. The directors also completed disclosure questionnaires indicating that they had no conflicts of interest to disclose. Upon motion duly made, seconded and unanimously carried, the Board unanimously approved and accepted the ethics letter and update by the investment officer as well as the directors' conflicts disclosure statements.

9. Mr. Goodall gave an update regarding the recent discussions with the District's solid waste collection company, OFS. Mr. Goodall reported that OFS representatives confirmed that the truck which has been the subject of recent issues regarding leaking in the District has been replaced as promised.

10. The Board considered public comments. A District resident, Terry Lutz, inquired as to whether OFS has any intentions to perform further cleaning of the stains on District streets. The Board noted that it was unaware of the exact location of any stains and requested that Mr. Lutz email Mr. Goodall the addresses of such stains so that Mr. Goodall's office could forward a request for investigation to OFS. The repainting of fire hydrants in Deer Run Estates was then discussed, and Mr. Lutz volunteered to provide his time and labor in order to repaint the fire hydrants if the District agrees to pay for the materials. The Board was in agreement that repainting the fire hydrants was beneficial and requested that Mr. Lutz provide an estimate for materials at the next Board meeting.

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

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Secretary