

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70

Minutes of Meeting of Board of Directors

May 4, 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 May 4, 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, Bob Ideus, Pam Graham, Ryan Nokelby, David Hunn, Doug Wilson, 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 April 6, 2016. After a brief review and discussion, upon motion made by Director Higgins, seconded by Director Kimes, the Board unanimously approved the minutes as presented.

2. The Board reviewed the tax assessor/collector’s report, copy attached. The District’s 2015 collection rate is 96.61%. After a brief review and discussion, upon motion made by Director Higgins, seconded by Director Kimes, the Board unanimously approved the tax assessor/collector’s report as presented and authorized issuance of the checks contained therein.

3. Don Guillory presented an operator’s report, copy attached. Mr. Guillory is working with State Farm regarding damage done to a District fence by an errant driver. It was noted that an agenda item for a proposal for a backup generator shall be placed on the June Board meeting agenda. There was significant discussion regarding water conservation and the water rate structure, and District irrigation meters and rates. There was a motion by Director Kimes to increase water rates charged to those individuals using in excess of 12,000 gallons per month by 10%, which failed for lack of a second. There was a motion made by Director Higgins to not issue any further irrigation meters, which also failed for lack of a second. After further discussion, it was decided that the Board should place an item for considering the District’s rate structure on the June agenda and that the Board members shall consider various courses of actions between Board meetings. There was a sewer tap made at 18615 Belle Cote and J & J Generator Service All Emergency Generators. There were 19 door hangers distributed and six customers locked-out for non-payment. One CSI inspection was made at 3303 Mety Cove, and a grinder pump repair was made at 18420 Old Galley Way. MagnaFlow hauled four and one-half

loads of sludge from Clarifier No. 2 and half a load from Clarifier No. 3. The Board authorized purchase of a new air conditioning unit for the control room at the District's Water Plant No. 1. Subject to that discussion, upon motion made by Director Kimes, seconded by Director Adams, the Board unanimously approved the operator's report as presented.

4. The attorney noted that the District was required to review the FTC identity theft red flag program on an annual basis. The District operator presented the annual report and noted no issues. The attorney recommended that no changes be made to the program. Accordingly, upon motion made by Director Higgins, seconded by Director Kimes, the Board voted unanimously to adopt the attached Resolution Affirming Identity Theft Prevention Program.

5. Bob Ideus presented a bookkeeper's report, copy attached. There was a question regarding the District's ability to closeout the District construction funds, and it was noted that Mr. Goodall and Mr. Ideus should consult each other prior to the June meeting regarding the ability of the District to unilaterally do so. The District's operating fund balance contains \$1,364,439.59. The Board requested that Mr. Ideus review a lab testing bill. Subject to that 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 contained therein.

6. Pam Graham presented a billing and collections report, copy attached. The District collected \$32,345.65 during the month. After a brief review and discussion, upon motion by Director Higgins, seconded by Director Adams, the Board unanimously approved the billing and collections report as presented.

7. Ryan Nokelby, David Hunn and Doug Wilson presented an engineer's report, copy attached. Mr. Wilson engaged in a lengthy presentation regarding the possibility of a District-wide GIS system. After review of the presentation and discussion with Mr. Wilson, the Board instructed the engineers to prepare a written proposal for such a system for the District for the Board's consideration at the June Board of Directors meeting. After a brief review and discussion, upon motion made by Director Higgins, seconded by Director Kimes, the Board unanimously approved the engineer's report as presented.

8. The Board considered public comments, seeing none, the President continued with the agenda.

9. The Board considered pending business. After discussion, upon motion made by Director Higgins, seconded by Director Adams, the Board unanimously authorized reimbursement to Director Caufield for costs incurred by her associated with the District's purchase of the residential lot.

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

Secretary