

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70

Minutes of Meeting of Board of Directors
October 7, 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 October 7, 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 Don Guillory, Brandy Woods, Bob Ideus, Bobby Crippens, Ryan Nokelby, David Hunn, Vicki Smith, David Eicher, Gary Constantino, 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 September 2, 2015. After view and discussion, upon motion made by Director Higgins, seconded by Director Stevens, the Board unanimously approved the minutes as presented.

2. Brandy Woods presented a District tax assessor/collector's report. Ms. Woods noted that the District's 2014 taxes are 98.62% collected. After brief discussion, upon motion made by Director Higgins, seconded by Director Stevens, the Board unanimously approved the tax assessor/collector's report and the checks contained therein.

3. The tax assessor-collector confirmed that her office had published notice of the District's intent to hold a public hearing and set the 2015 tax rate at this meeting. Accordingly, the Board called a public hearing on the District's proposed 2015 tax rate. It appeared that the Harris County Appraisal District had heretofore prepared and certified to the District's tax assessor-collector the final 2015 appraisal roll of the District. The Board considered the amount of taxes to be raised based on said valuation in order to meet debt service requirements on the District's outstanding bonds and for maintenance purposes. Upon motion by Director Higgins, seconded by Director Kimes and unanimously carried, the Board passed and adopted the attached Order accepting the final appraisal roll and setting a tax rate of \$0.22 for each \$100 of assessed valuation shown on such appraisal roll for the purpose of debt service, and a rate of \$0.40 per \$100 valuation for maintenance purposes, for a total 2015 tax rate of \$0.62,

representing an 11.428% reduction in the tax rate. The Board executed the amendment to the District's information form to reflect the tax rate, and the attorneys were directed to file executed copies with the Harris County Clerk and the Texas Commission on Environmental Quality as required by the Texas Water Code, and to furnish the tax assessor for the District a certified copy of the Order levying the tax.

4. Don Guillory presented an operator/manager's report, a copy of which is attached. Mr. Guillory reported that Chlorinator Maintenance made adjustments to the regulator of the chlorinator that seemed to have improved the situation, but adjustments continue. Preventative maintenance was performed on the District's older chlorinator and the operator's re-read 20 meters following customer complaints. Eleven door hangers were hung, and one meter was locked out. Crawford Technical Services replaced a bearing on the No. 1 Blower at the old sewage treatment plant, and the cable company raised the cable off the fence at the sewer plant. The pond at Deer Run Estates was lowered, and the monthly DMR report was submitted to the TCEQ. Subject to that discussion, upon motion by Director Higgins, seconded by Director Adams, the Board unanimously approved the operator/manager's report as presented.

5. Bob Ideus presented a bookkeeper's report, copy attached. After a review and discussion of the report, upon motion by Director Stevens, seconded by Director Higgins, the Board unanimously approved the bookkeeper's report as presented and authorized the issuance of the checks listed thereon.

6. Mr. Goodall reported that the attorneys continue to work with CenterPoint regarding easement language and he expects the easement to be ready for execution at the District's next Board meeting.

7. David Hunn and Ryan Nokelby presented an engineer's report, copy attached. The engineers completed the annual assessment of District facilities for the District's insurance provider in advance of the proposal for the District's 2016 insurance policy. The engineers offered feedback on the proposed CenterPoint easement and are working on the Harris County storm water quality permit renewal. The engineers provided the City of Houston with the District's proposed demands for the 2016 Groundwater Reduction Plan. The Board reviewed a quote from Crawford Technical Service in the amount of \$32,695 for rehabilitation of the wastewater treatment plant 50,000 GPD tank. AUC submitted a quote of \$135,000 and NTS declined to submit a quote. Subject to that discussion, upon motion by Director Higgins, seconded by Director Adams and unanimously carried, the Board approved the engineer's report as presented and authorized proceeding with the work pursuant to Crawford's quote.

8. Vicki Smith presented a billing and collections report, copy attached. The District collected \$46,855.80 during the month. Ms. Smith reported that many customers had expressed a desire for the District to accept payment by credit card. Ms. Smith contacted AVR and AVR proposed presenting the credit card system payment options to the Board at the November meeting. The Board agreed to review the AVR proposal at said meeting. Upon motion by Director Higgins, seconded by Director Stevens, the Board unanimously approved the report as presented.

9. The Board considered public comments. David Eicher at 3102 Lake Breeze Lane and Gary Constantino at 3620 Shore Shadows both complained of high water bills.

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

Secretary