

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 70

Minutes of Meeting of Board of Directors

August 5, 2020

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 70 ("District") met by teleconference on August 5, 2020, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Terry Lutz, Vice President
Randall Keith Adams, Secretary
Steve Kimes, Director
Jim Raines, Director/Treasurer

and the following absent:

Bobby Crippens, President

Also present were, Bob Ideus, Sam Werner, Pam Graham, Mike Higgins, and G. Taylor Goodall, Jr.

The Vice-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 July 1, 2020. After brief review and discussion, upon motion duly made and seconded, the Board unanimously approved the minutes as presented.

2. The tax assessor presented a tax assessor/collector's report. The District's 2019 taxes are 96.90% collected. Subject to that discussion, upon motion duly made and seconded, the Board unanimously approved the tax assessor-collector's report as presented and authorized disbursement of the funds contained therein

3. The Board reviewed an operator's report. After review brief review and discussion of the report, upon motion duly made and seconded, the Board authorized the District's operator to proceed with termination of utility service pursuant to provisions of the Rate Order and approved the operator's report as presented.

4. Sam Werner presented an engineer's report and an update on all projects. The engineer discussed the water plant No. 1 ground storage tank replacement project and presented and recommended approval of Pay Application No. 2 in the amount of \$31,500.00 to C3 Constructors, LLC. Upon motion duly made and seconded, the Board approved Pay Application No. 1. After discussion, the Board approved the engineer's report as presented.

5. Mr. Bob Ideus presented the bookkeeper's report. The District's operating fund balance is \$1,578,160.65. After brief review and discussion, upon motion duly made and seconded, the Board approved the bookkeeper's report as presented and authorized disbursement

of the funds and action items contained therein.

6. The Board considered the fiscal year end 2021 budget. The Board reviewed the draft budget with Mr. Ideus, and after discussion, upon motion duly made and seconded, the Board unanimously approved the attached Resolution Adopting the Operating Budget for Fiscal Year Ending August 31, 2021 as presented.

7. The Board then considered confirmation of the previous engagement of an auditor to perform the audit for the fiscal year ending August 31, 2020. The Board reviewed an audit continuance letter from McCall Gibson Swedlund Barfoot, PLLC. The letter confirms a previously provided evergreen audit engagement letter dated September 5, 2018. The firm's proposed budget for preparation of the audit would be between \$11,000 and \$13,000. The Board confirmed the prior engagement of McCall Gibson Swedlund Barfoot, PLLC to perform the audit.

8. Pam Graham then reviewed a billing and collections report. The District collected \$42,677.37 during the month. After further discussion, upon motion duly made and seconded, the Board unanimously approved the billing and collections report as presented.

9. The Board decided to hold it's Bond Election on a future date and to cancel the November 3, 2020 election at this time.

There being no further business to consider, the meeting was adjourned.

Secretary