

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286**

Minutes of Board of Directors Meeting  
November 2, 2015

**ACTIONS TAKEN**

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1. The Board approved the minutes of the October 5, 2015, and October 6, 2015, meetings.
  2. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
  3. The Board approved the Operations and Maintenance Report presented by EDP.
  4. The Board awarded the painting of the hydropneumatic tank to A&H Services
  5. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  6. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  7. The Board approved correspondence to Commissioner Cagle requesting a four-way stop sign at the intersection of Cypresswood Drive and Cypresswood Crossing.
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The Board of Harris County Municipal Utility District No. 286 ("District") met in regular session at the Board's regular meeting place, 8015 FM 1960 West, Houston, Harris, County, Texas 77070 on November 2, 2015, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

David Geaslen, President  
Michael Rhodes, Vice President  
Steve Garner, Secretary  
Rosalind Theriot, Assistant Secretary  
Becky Campbell, Assistant Secretary

All of said persons were present, therefore constituting a quorum.

Also present were Lieutenant Shultz, Lieutenant Jolly, and Deputy Singh of the Harris County Constable's Office, Precinct No. 4; Claudia Redden of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Eric Thiry and Gregory Camp of Environmental Development Partners, L.L.C. ("EDP"); Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); Kevin Drewes of Genesis Capital Advisors, L.L.C. ("Genesis"); Nathan Reinhart of Pro-Vigil Surveillance Services ("Pro-Vigil"); and Kara Richardson of Marks Richardson PC ("MRPC").

#### **APPROVAL OF MINUTES**

As the first order of business, the Board considered approval of the minutes of the Board of Directors meetings held on October 5, 2015, and October 6, 2015. After discussion, Director Rhodes made a motion to approve the minutes of the October 5, 2015, and October 6, 2015, Board of Directors meetings, as written. Director Theriot seconded the motion, which carried unanimously.

#### **SECURITY PATROL REPORT BY THE CONSTABLE'S OFFICE**

The Board next considered the Security Patrol Report (**Exhibit A**). Deputy Singh introduced herself and stated that she would like input from the Board on any security needs in the District. Lieutenant Jolly reviewed the report and discussed a vehicle theft at Noble Energy. He noted that the extra patrol shifts seem to be effective and that the officers are issuing approximately 5-15 speeding tickets per shift.

Lieutenant Shultz, Lieutenant Jolly, and Deputy Singh exited the meeting at this time.

#### **PRO-VIGIL PROPOSAL AND PRESENTATION**

The Board next considered a proposal and presentation from Pro-Vigil for security monitoring services and considered the termination of contract with Advantage Security Integration. Mr. Reinhart introduced himself to the Board and gave an overview of Pro-Vigil, noting that they are a live-video surveillance company. He stated that the live feed can be accessed with a phone app and that Pro-Vigil has the ability to have a speaker system at facilities to call out to intruders. Mr. Reinhart discussed Pro-Vigil's damage guarantee coverage and monitoring costs. Mr. Eby discussed the issues with the District's current monitoring system.

Director Campbell exited the meeting at this time. Ms. Redden entered the meeting at this time.

The Board further discussed the District's current monitoring system. Director Geaslen suggested that Mr. Eby meet with Pro-Vigil to determine if all cameras need monitoring and if any additional routers are needed. After discussion, the Board instructed Mr. Eby tour the plants with Pro-Vigil to assess those issues so that Pro-Vigil can submit an updated proposal next month.

Mr. Reinhart exited the meeting at this time.

### **DEVELOPERS' REPORTS** **GENESIS CAPITAL PARTNERS, L.L.C.**

The Board next considered the status of development in the District by Genesis. Mr. Drewes presented the current Loan Computation Schedule (**Exhibit B**) and discussed the surcharge credits. He noted that Mr. Vangrieken and Mr. Thiry are in agreement with the credits issues and that the surcharge is paid in full.

### **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Mr. Arterburn presented and reviewed the attached Tax Assessor-Collector Report (**Exhibit C**) dated November 2, 2015. He reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. He noted that the 2015 tax bills were sent out a week ago and that collections for 2014 are at 99.99% and that the collections for 2015 are at 0.27%. After discussion of the report, Director Theriot made a motion to approve the Tax Assessor-Collector Report as presented and to approve the checks identified in the report for payment. Director Rhodes seconded the motion, which carried unanimously.

### **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit D**).

Mr. Thiry reported that EDP replaced the air compressor at the water plant. He also stated that the water valve survey is complete but he is still completing the report. He noted that EDP is still trying to locate the valve at 14002 Cypresswood Crossing and that most valves are where they should be but that some commercial valves are located in streets.

Mr. Thiry next reported that EDP received two bids for the explosive gas detector and that Detcon was the low bidder at \$10,277. He noted that per previous Board authorization, EDP authorized Detcon to proceed with the project. Mr. Thiry discussed the possibility of getting a service agreement with Detcon to have them inspect every year.

The Board next discussed the commercial consumption chart and possible anomalies with interconnect usage. Mr. Thiry reported that the District supplied water to HC MUD 486 this month

and that HC MUD 486 would like to pay the District back in kind. He stated that he will review the existing agreement to see if that is allowed.

Mr. Thiry next stated that EDP would like to clean the effluent basin in advance of a state inspection next month. He stated that the cost to clean it last time was approximately \$2,500. After discussion, the Board concurred to authorize EDP to clean the effluent basin.

After discussion, Director Garner made a motion to approve the Operations and Maintenance Report as presented. Director Rhodes seconded the motion, which carried unanimously.

### **ENGINEERING REPORT**

The Board next considered the Engineering Report (**Exhibit E**).

Mr. Eby presented three bids for painting the hydropneumatic tank and recommended that the Board award the contract to the low bidder A&H Services in the amount of \$10,500. After discussion, Director Rhodes made a motion to award the contract to A&H Services, as set out above. Director Theriot seconded the motion, which carried unanimously.

Mr. Eby next reported that he is working on plans for the lift station rehabilitation and noted that District may need to acquire land from HP to make room for the generator. Mr. Eby further stated that he will meet with Centerpoint to discuss possibly splitting or metering the electricity used by the lift station since the lift station is currently on HP's or Lone Star's power feed.

Director Geaslen next reported that Lone Star has expressed interest in constructing a trail that would connect the existing trail to the YMCA.

Mr. Eby next reported that the ditch repair at the park is complete and presented proposals from Brian Gardens to mulch various areas. Director Theriot stated she will investigate if those areas need mulch and will report back at the next Board meeting.

Mr. Eby next reported that he received capacity requests from Lone Star and Chasewood. The Board discussed the tap fee calculation for non-taxable entities under the District's Rate Order. Mr. Eby stated that he needs to determine the ultimate, projected capacity of each entity.

After discussion, Director Theriot made a motion to approve the Engineering Report and the invoices set forth therein. Director Rhodes seconded the motion, which carried unanimously.

### **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit F**), including the checks presented for payment. The Board discussed the District's sales tax revenue. After discussion, Director Rhodes made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Theriot seconded the motion, which carried unanimously.

## **REVIEW OF INVESTMENT POLICY**

The Board next deferred considering the annual review of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Order") and the adoption of a Resolution relative thereto.

## **WATER CONSERVATION MEETING**

The Board next considered a report on the annual Water Conservation Meeting. Director Theriot reported that the meeting went well.

## **DISCUSSION ON PATROL SHIFTS**

The Board next considered a discussion on Constable shifts and increasing the number of patrol shifts in the District. Director Rhodes recommended that the Board wait to see how the new patrol works out before making any changes. Director Geaslen distributed residential statistics showing the percentages of incidents that occur during different shift hours (**Exhibit G**). He presented a draft letter to Commissioner Cagle requesting a four-way stop sign at Cypresswood Drive and Cypresswood Crossing. After discussion, Director Theriot made a motion to approve the letter to Commissioner Cagle, contingent upon certain noted revisions. Director Rhodes seconded the motion, which carried unanimously.

## **DISTRICT WEBSITE**

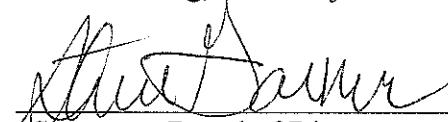
The Board next considered the status of the District's website. Director Theriot noted that all items on the website are up to date.

## **ITEMS FOR FUTURE AGENDAS**

The Board next considered matters for possible placement on future agendas.

## **ADJOURNMENT OF BOARD MEETING**

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

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

November 2, 2015

- Exhibit A. Patrol Report
- Exhibit B. Chasewood Loan Computation Schedule
- Exhibit C. Tax Assessor-Collector's Report
- Exhibit D. Operations and Maintenance Report
- Exhibit E. Engineering Report
- Exhibit F. Bookkeeping Report
- Exhibit G. Crime Statistics