

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

Minutes of Board of Directors Meeting  
March 8, 2017

**ACTIONS TAKEN**

---

1. The Board approved the minutes of the February 6, 2017, meeting.
  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 authorized EDP to install a portable water pump on the clarifier.
  4. The Board approved the Operations and Maintenance Report presented by EDP.
  5. The Board approved Change Order No. 1 from CES Utilities Inc. for the water and sanitary sewer to serve the Lone Star Science Building.
  6. The Board authorized Eby Engineers, Inc. to proceed with the District's Wastewater Treatment Plant permit renewal.
  7. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  8. The Board adopted the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.
  9. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  10. The Board authorized the Bookkeeper and Tax Assessor Collector to prepare and file 2017 Unclaimed Property Reports prior to the January 1, 2017, deadline.
-

The Board of Harris County Municipal Utility District No. 286 ("District") met in regular session at the Board's regular meeting place, 20303 Chasewood Park Drive, Houston, Harris, County, Texas 77070 on March 8, 2017, 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, except Director Geaslen and Director Campbell, therefore constituting a quorum.

Also present were Deputy Singh and Corporal Curry 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"); Andy Phelps and Greg Camp of Environmental Development Partners, L.L.C. ("EDP"); JoAnn Ramos of Utility Tax Service, L.L.C. ("UTS"); Kevin Drewes of Genesis Capital Advisors, L.L.C. ("Genesis"); 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 meeting held on February 6, 2017. After discussion, Director Garner made a motion to approve the minutes of the February 6, 2017, Board of Directors meeting, 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 reviewed the report. She reported that cars have been broken into at the hotel parking lot and that the hotel is going to hire extra security to patrol since there are no security cameras on site.

Deputy Singh and Corporal Curry exited the meeting at this time.

#### **SECURITY MONITORING SERVICES**

The Board next considered the status of security monitoring services. Director Rhodes stated that everything is going well and that the security company is doing a good job.

#### **DEVELOPERS' REPORTS**

##### **GENESIS CAPITAL PARTNER, L.L.C.**

The Board next considered the status of development in the District by Genesis. Mr. Drewes stated that a fence located on property owned by the Center of Cypress Creek was cut some time ago.

## **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Ms. Ramos presented the attached Tax Assessor-Collector Report (**Exhibit B**) dated February 28, 2017. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. 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 Garner seconded the motion, which carried unanimously.

Ms. Richardson next presented the delinquent tax report (**Exhibit C**) dated March 6, 2017, by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP.

## **OPERATIONS REPORT**

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

Mr. Phelps reviewed repairs EDP made during the month and noted that the blower repair is in progress. He stated that EDP is requesting that the Board authorize EDP to install a portable water pump on the clarifier at a price of \$1,500.

Mr. Phelps next reported that the TCEQ inspected the District water plant last month and identified some heavy vegetation growing along the fence line at Water Plant 2. Mr. Phelps stated that EDP can request pricing for the clearing of the vegetation. Mr. Eby stated that he inspected the area and that Brian Gardens could potentially do the work to clear the area and keep it maintained. He stated that he will bring pricing from Brian Gardens next month.

Mr. Phelps next reported that the lift station is still being operated by a generator. Mr. Eby reported that the electrical repair work is complete and that the switch just needs to be flipped to turn on the power. Mr. Phelps stated that EDP will have NTS come turn the power on and that EDP will monitor the power switch process. He noted that the generator will be kept on site for a few days after the power is switched, in case any issues arise.

Mr. Phelps next reported that Lone Star has requested a waiver of late fees totaling \$1,752.50. Mr. Eby discussed the meeting that he attended with Ms. Richardson and Lone Star representatives regarding the electrical line repair. After discussion, the Board concurred to defer any decision on the request due to the absences of Directors Geaslen and Campbell.

Ms. Richardson next presented correspondence from the North Harris County Regional Water Authority (the "NHCRWA") (**Exhibit E**) regarding the increase in fees effective April 1. Mr. Phelps noted that the District's commercial accounts are now being billed the NHCRWA fees pursuant to the District's recent amendment to the Rate Order.

After discussion, Director Garner made a motion to approve the Operations and Maintenance Report, as presented, and to authorize EDP to install the portable water pump, as outlined above. Director Theriot seconded the motion, which carried unanimously.

## ENGINEERING REPORT

The Board next considered the Engineering Report (Exhibit F).

Mr. Eby reported on the status of the contract with CES Utilities Inc. ("CES") for the water and sanitary sewer to serve the Lone Star Science Building. He presented Change Order No. 1 and noted that the change order covers the \$14,790.00 increase in materials pricing caused by the delay in proceeding with construction. Mr. Eby stated that the original material pricing was only good for 60 days and that Lone Star has agreed to cover the increase in costs. He presented an executed TEC Form 1295 from CES in connection with the Change Order No. 1. After discussion, Director Theriot made a motion to approve Change Order No. 1, as set out above. Director Garner seconded the motion, which carried unanimously.

Mr. Eby next reported on the status of the lift station rehabilitation project. He stated that he and Ms. Richardson met with representatives from Lone Star and HP to discuss options for a permanent power supply to the lift station. Ms. Richardson stated that there is an existing agreement among CenterPoint, HP, and Lone Star that requires CenterPoint to install a submeter for the District's lift station. Mr. Eby noted that Lone Star has reached out to CenterPoint to begin that process and that he will finalize the plans for the rehabilitation project once CenterPoint has completed their work.

Mr. Eby next proposed that a new generator be installed at the Jones Road Lift Station. He noted that it would be a permanent generator with sound control to reduce noise for surrounding residences. He stated that he would place the existing portable generator at the Chasewood Lift Station and mount it on a concrete block with a structure over it. Mr. Eby stated that he will start on the design for the project.

Mr. Eby next reviewed various repairs made by Brian Gardens during the month. He noted that the skate park is rusting and needs to be painted. Mr. Eby stated that he has ordered paint and will find someone to paint the skate park.

Mr. Eby next discussed correspondence received from Bob Hudson on behalf of Mr. Terpstra. He noted that Mr. Terpstra will grant the District the necessary easement if the District builds a fence around his property along the trail. Mr. Eby stated that Mr. Terpstra has requested certain concessions from the County as well. He noted that the request outlines the District paying for the fence materials and the County handling the installation. The Board discussed the possible addition of additional property along the proposed easement to provide for room to clear and build the requested fence as well as future needs. Mr. Eby stated that he will ask Mr. Terpstra about the extra footage.

Mr. Eby next reported that he will meet with the roofing contractor for Water Plant No. 1 tomorrow and that he hopes to get the project started soon.

Mr. Eby next reported that he inspected the District's lift station and that a facilities report should be ready to present next month.

Mr. Eby next presented correspondence from the TCEQ (**Exhibit G**) regarding the District's WWTP permit renewal. After discussion, Director Theriot made a motion to authorize Mr. Eby to proceed with the District's permit renewal. Director Garner seconded the motion, which carried unanimously.

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

### **REPAIR OF ELECTRICAL LINE**

The Board next noted that the discussion regarding the repair of the electrical line servicing the District lift station had been previously discussed.

### **TRAIL REPAIRS**

The Board next noted that the discussion regarding the trail repairs, including the proposed easement acquisition from Mr. Terpstra had been previously discussed.

### **RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE**

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects and consideration of authorizing a survey of wages. Ms. Richardson presented a spreadsheet reflecting Prevailing Wage Rates for Construction Projects for the Harris County Department of Labor (**Exhibit H**) and reviewed the Resolution with the Board. After discussion, Director Garner made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale For Construction Projects based on the Harris County Department of Labor rates. Director Theriot seconded the motion, which carried unanimously.

### **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit I**), including the checks presented for payment. Ms. Redden noted that she received the capacity reservation fee from SIR NE Houston LLC ("SIR") as the current owner of the building previously owned by TCH Northwest Associates Phase I, LLC ("TCH"). After discussion, Director Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Garner seconded the motion, which carried unanimously.

The Board concurred to add an item to the next agenda to assign the District's agreement with TCH to SIR.

### **UNCLAIMED PROPERTY REPORT**

The Board next considered authorizing the bookkeeper and tax assessor to prepare a 2017 Unclaimed Property Report and the filing of same with the State Comptroller prior to the July 1, 2017 deadline. After discussion, Director Theriot made a motion to authorize the District's consultants to research the District's accounts to determine the necessity of preparing an Unclaimed Property

Report, and, if such report is necessary, authorize the District's Bookkeeper to file same with the State Comptroller prior to July 1, 2017. Director Garner seconded the motion, which carried unanimously.

**REQUEST FROM GHORBA**

The Board next considered a request from the Greater Houston Off-Road Biking Association ("GHORBA") regarding trail maintenance, including approval of amendment to Interlocal Agreement with HCFCD. Ms. Richardson stated that she will send the revised map to Harris County. Director Theriot requested that Ms. Richardson send correspondence to GHORBA asking them to ask its members to please not construct obstacles on the trails and to be on the lookout for bikers who might be building such obstacles.

**ITEMS FOR FUTURE AGENDAS**

The Board next considered matters for possible placement on future agendas. Mr. Eby reported that Mr. Thiry informed him of complaints regarding the water fountain being out of service at the park. Mr. Eby suggested that the fountain be removed completely. The Board concurred on the removal of the water fountain.

**ADJOURNMENT OF BOARD MEETING**

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

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

March 8, 2017

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report
- Exhibit C. Delinquent Tax Report
- Exhibit D. Operations and Maintenance Report
- Exhibit E. NHCRWA Correspondence
- Exhibit F. Engineering Report
- Exhibit G. TCEQ Permit Correspondence
- Exhibit H. Wage Rate Scale
- Exhibit I. Bookkeeping Report