

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

Minutes of Board of Directors Meeting  
May 4, 2015

**ACTIONS TAKEN**

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1. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including payment of the bills associated therewith.
  2. The Board of Directors ("Board") approved the minutes of the April 6, 2015, meeting.
  3. The Board approved the Developer Reimbursement Audit prepared by Roth & Eyring, PLLC and authorized the disbursement of fund to CTP Land, Ltd.
  4. The Board authorized the Operator to move a fire hydrant on the Hewlett Packard property.
  5. The Board approved the Consumer Confidence Report, contingent upon review by Marks Richardson PC.
  6. The Board authorized the Operator to repair five (5) commercial meters in the District.
  7. The Board approved the Operations and Maintenance Report presented by Environmental Development Partners ("EDP").
  8. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  9. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
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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 May 4, 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, except Director Geaslen, therefore constituting a quorum.

Also present were Deputy Joseph Martino, Corporal Melvin Curry, Captain Wayne Schultz, and Lieutenant Stan Jolly 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"); Monica Pena of Utility Tax Service, L.L.C. ("UTS"); Ed Jones of Hewlett Packard ("HP"); and Kara Richardson of Marks Richardson PC ("MRPC").

Due to the absence of the President, the Vice President called the meeting to order at 6:00 p.m. and declared it open for such business as might properly come before it.

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

As the first order of business, the Board considered the Tax Assessor-Collector Report. Ms. Pena presented and reviewed with the Board the attached Tax Assessor-Collector Report (**Exhibit A**) dated April 30, 2015. She reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. She noted that collections for 2014 are at 99.85%. After discussion of the report, Director Garner made a motion to approve the Tax Assessor-Collector Report as presented and to approve the checks identified in the report for payment. Director Theriot seconded the motion, which carried unanimously.

#### **APPROVAL OF MINUTES**

The Board next considered approval of the minutes of the Board of Directors meeting held on April 6, 2015. After discussion, Director Theriot made a motion to approve the minutes of the April 6, 2015, Board of Directors meeting, as written. Director Garner seconded the motion, which carried unanimously.

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

The Board next considered the Security Patrol Report (**Exhibit B**). Deputy Martino reviewed the report with the Board. Lieutenant Jolly introduced himself to the Board and noted that he has been with the Precinct 4 office for 20 years.

## **PART TIME CONSTABLE PATROL DISCUSSION**

The Board next discussed the possibility of adding off duty constable to patrol traffic. Deputy Martino recommended asking Harris County to perform a tracking project prior to hiring additional patrol. Director Theriot stated that she will contact Precinct 4 to look into the procedures to request the project.

Deputy Martino, Corporal Curry, Captain Schultz, and Lieutenant Jolly exited the meeting at this time.

## **DEVELOPER REIMBURSEMENT AUDIT**

The Board next considered the approval of the Developer Reimbursement Audit ("Audit") and authorization of disbursement of funds to CTP Land, Ltd. ("CTP"). Ms. Richardson presented the draft Audit (**Exhibit C**) prepared by the District's Auditor, Roth & Eyring, PLLC reflecting a total of \$64,000.00 due from the District to CTP for reimbursement of certain drainage costs as contemplated by the Utility Development Agreement between the District and CTP dated August 2, 2010. After discussion, Director Theriot made a motion to approve the Audit and to authorize the disbursement of funds to CTP, as set forth in the Audit. Director Campbell seconded the motion, which carried unanimously.

## **DEVELOPERS' REPORTS**

### **HP**

The Board next considered the status of development in the District by HP. Mr. Jones reported that there was an incident where a car ran over the backflow preventer and that he is working with Eby to repair the damage and to install the remaining backflow preventers.

Mr. Eby next stated that there is a fire hydrant located on the HP property that is currently one (1) foot from the curb. He noted that when the hydrant was initially installed, it was placed at a point that was three (3) feet from the curb, and that the curb has since been altered placing the hydrant closer to the street. The Board discussed moving the hydrant farther from the curb to prevent the hydrant from being hit by a car. Mr. Thiry noted that the project would cost a few thousand dollars. After discussion, Director Theriot made a motion to authorize EDP to move the hydrant and to bill HP for the costs of the project since HP altered the curb which placed the hydrant closer to the street. Director Garner seconded the motion, which carried unanimously.

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

The Board next considered the status of development in the District by Genesis. Ms. Richardson presented the current Loan Computation Schedule (**Exhibit D**) that was forwarded to her by Mr. Vangrieken. Mr. Thiry reported that EDP added the surcharge to the hotel's bill this month which included the surcharge amounts that were unbilled since July.

### **CENTRE AT CYPRESS CREEK**

The Board next deferred consideration of the development in the District by the Centre at Cypress Creek as no representative was present.

### **LONE STAR**

The Board next considered the development in the District by Lone Star. Director Garner stated that there are a few new tenants.

### **TCH NORTHWEST ASSOCIATES (“TCH”)**

The Board next deferred consideration of the development in the District by TCH as no representative was present.

### **SPRINGHILL SUITES**

The Board next deferred consideration of the development in the District by Springhill Suites as no representative was present.

### **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report. Mr. Thiry presented and reviewed the Operations and Maintenance Report (**Exhibit E**) dated May 4, 2015.

Mr. Thiry stated that EDP reviewed the video of the sanitary sewer line that serves 14602 Oaks Crossing which revealed that the line needs to be replaced. He stated that he will coordinate with Mr. Eby to replace the line under the street. After discussion, the Board concurred for EDP to perform the necessary work with oversight from Mr. Eby.

Mr. Thiry next presented the Water Conservation Report and draft Consumer Confidence Report. After discussion, Director Theriot made a motion to approve the Consumer Confidence Report, pending review by MRPC, and to authorize EDP to distribute the approved report to consumers.

Mr. Thiry next presented EDP’s Emergency Preparedness Plan, the annual critical load list update, and DHS update.

Mr. Thiry next stated that the annual fire hydrant testing will take place this week and noted that notice of the testing was sent to District residents in their last water bill.

Mr. Thiry next reported that EDP tested the commercial meters in the District and determined that five (5) need repairs. He stated that it will cost \$2,679.00 for the repairs. After discussion, Director Garner made a motion to authorize the repair of the five (5) commercial meters, as set out above. Director Theriot seconded the motion, which carried unanimously.

Mr. Thiry next reported that the accountability for the month of April is 76% which is due to draining the storage tanks for inspection.

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

### **IDENTITY THEFT PREVENTION PROGRAM**

The Board next considered the annual report on the District's Identity Theft Prevention Program. Mr. Thiry presented the report (**Exhibit F**) and noted that there are no issues to report.

### **ENGINEERING REPORT**

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

Mr. Eby reported that the park bench installation is complete and presented the plaque that will be attached after engraving. Director Rhodes presented the proposed wording and font for the plaque. Mr. Eby stated that he will have the plaque engraved and will let the Board know when it is complete so that they can schedule a dedication ceremony.

Mr. Eby next reported that two (2) trees fell at the park and that Brian Gardens removed the debris.

The Board next discussed options for replacing exercise equipment at the park. Mr. Eby presented catalogs of various park equipment. He stated that he will ask the vendor to recommend equipment to replace the existing exercise equipment and to put together a proposal for the Board to review next month.

Mr. Eby next reported that he has had several discussions with Director Geaslen regarding the surveillance of the parking lot at the park and apparent software issues with the camera equipment.

Mr. Eby next reported that the generators worked well during the recent power outage in the District. He noted that the generator at the Wastewater Treatment Plant is aging and recommended that the Board consider replacing the unit in the next five (5) years.

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

### **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit H**), including the checks presented for payment. 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.

### **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.

Ms. Richardson reported on House Bill 2389 and Companion Senate Bill 1000 relating to the proposed restriction on the expenditure of revenue received by a municipal utility district pursuant to a strategic partnership agreement with a municipality. She stated that the District received an acknowledgement of receipt and noted that the legislation appears to be dead because of opposition.

### **ADJOURNMENT OF BOARD MEETING**

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

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

May 4, 2015

- Exhibit A. Tax Assessor-Collector's Report
- Exhibit B. Patrol Report
- Exhibit C. Draft Developer Reimbursement Audit
- Exhibit D. Chasewood Loan Computation Schedule
- Exhibit E. Operations and Maintenance Report
- Exhibit F. Identity Theft Report
- Exhibit G. Engineering Report
- Exhibit H. Bookkeeping Report