

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
June 1, 2015

ACTIONS TAKEN

1. The Board of Directors ("Board") approved the minutes of the May 4, 2015, meeting.
 2. 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.
 3. The Board authorized the Delinquent Tax Collections Attorney to pursue the collection of delinquent taxes for 2014 and prior years.
 4. The Board approved the Operations and Maintenance Report presented by Environmental Development Partners ("EDP").
 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 the request from the Records Management Officer to destroy notes of Board of Director's meeting from February 3, 2014 to February 2, 2015.
 8. The Board authorized the completion, execution and filing of the Voting System Annual Filing Form.
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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, therefore constituting a quorum.

Also present were Deputy Joseph Martino and Deputy Brian Hodges 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"); and Lindsey Eubank 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 May 4, 2015. After discussion, Director Rhodes made a motion to approve the minutes of the May 4, 2015, 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 Martino reviewed the report and introduced Deputy Hodges to the Board.

PART TIME CONSTABLE PATROL DISCUSSION

The Board next discussed the possibility of adding off duty constable to patrol traffic. Director Theriot stated that she contacted Precinct 4 to look into the procedures to request the traffic study project and noted that she never heard back. Deputy Hodges stated that he will look into the procedures and forward them to Director Geaslen by the weekend.

Deputy Martino and Deputy Hodges exited the meeting at this time.

DEVELOPERS' REPORTS

HP

The Board next deferred considering the status of development in the District by HP as no representative was present.

GENESIS CAPITAL PARTNER, L.L.C.

The Board next considered the status of development in the District by Genesis. Mr. Drewes reported that the Springhill Suites hotel opened on May 9th and noted that the management has discussed offering the ballroom to the District for Board meetings. The Board concurred that they may be interested in the offer.

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 Lone Star is interested in receiving credit for the cooling tower it installed. Mr. Thiry stated that the District's Rate Order has been amended to provide for reimbursement for cooling towers. Mr. Thiry stated that Lone Star would also need to meter the amount of blowdown water and send the amounts to EDP. Director Garner stated that he would speak to Mr. Keller at Lone Star regarding the matter.

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 it was already reported on.

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 B**) dated June 1, 2015. He reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. He noted that collections for 2014 are at 99.90%. After discussion of the report, Director Rhodes made a motion to approve the Tax Assessor-Collector Report as presented and to approve the checks identified in the report for payment. Director Campbell seconded the motion, which carried unanimously.

Mr. Arterburn noted that he will have an update on the District's preliminary certified value next month.

Mr. Arterburn next presented the attached list of delinquent accounts, dated June 1, 2015, as prepared by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue") (**Exhibit C**).

COLLECTION OF DELINQUENT TAXES

The Board next considered authorizing Perdue to pursue the collection of delinquent taxes for 2014 and prior years, including the filing of lawsuits. After discussion, Director Rhodes made a motion to authorize Perdue to proceed with the collection of the District's 2014 and prior years delinquent tax accounts, as set out above. Director Campbell seconded the motion, which carried unanimously.

OPERATIONS REPORT

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

Mr. Thiry stated that EDP completed the installation of the eyewash and shower station at Water Plant #2 and completed the containment for the magnesium hydroxide system at the wastewater plant. He also noted that EDP performed preventative maintenance on the chlorinator at Water Plant #2.

Mr. Thiry next reported that the annual testing of the fire hydrants is complete and that he will have the report ready to present next month.

Mr. Thiry next discussed the accountability on the water provided via interconnect to HC MUD 486. He noted that the interconnect will be utilized longer than expected due to issues with HC MUD 486's water plant and that EDP will bill HC MUD 486 for the balance.

Mr. Thiry next stated that the interconnect collects sediment in the lines when not in use, and that it was stirred up when the interconnect was opened recently, producing brown water and some customer complaints. He noted that the issue has been resolved. The Board discussed flushing the interconnects periodically to prevent this problem in the future. Mr. Thiry recommended that the District's other interconnect be flushed and cleaned as well, and recommended that EDP do a valve survey.

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

ENGINEERING REPORT

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

Mr. Eby reported that Brian Gardens cleaned the park and trail during the month and provided a proposal to replace the cushioning material at the playground.

Director Geaslen stated that the trail by Jones Road needs to be cleaned and repaired. Mr. Eby stated that he has spoken with Brian Gardens about performing the repairs. After discussion, the Board concurred to authorize Brian Gardens to clean and repair the trail.

Mr. Eby next reported that the Wastewater Treatment Plant permit has been renewed and that the plaque commemorating the late Director Nicosia has arrived for the new bench in the park. The Board discussed scheduling a dedication ceremony for the bench.

The Board next discussed options for replacing exercise equipment at the park. Director Geaslen recommended that the equipment not be replaced since no one uses it. Mr. Eby stated that he spoke with a representative of Total Recreation and noted that while Total Recreation has nice equipment, a fall zone with cushion is required with the installation of the equipment. After discussion, the Board concurred not to replace the exercise equipment at the park at this time, but agreed to investigate repairing the existing equipment.

After discussion, Director Theriot made a motion to approve the Engineering Report and the invoices set forth therein. Director Garner 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. After discussion, Director Rhodes made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Campbell seconded the motion, which carried unanimously.

Director Geaslen next inquired when Mr. Eby expects to advertise for bids for the hydro-tank. Mr. Eby stated that he expects to advertise for bids around November or December.

RECORDS DESTRUCTION REQUEST

The Board next considered a request from the Records Management Officer to destroy notes of Board of Directors meetings from February 3, 2014, to February 2, 2015, in accordance with the Records Retention Schedule for General Records. Ms. Eubank presented the attached request of the Records Management Officer with attached list of records (**Exhibit G**) and advised that the time limitations for retention had passed for all records listed, that, to the best of her knowledge and belief, none of the records' subject matter was pertinent to a pending lawsuit, and that there were no open records requests pending with respect to any of the records. After discussion, Director Garner made a motion to authorize the destruction of the notes, as requested in accordance with the provisions of the District's Records Management Program and the Schedule. Director Rhodes seconded the motion, which carried unanimously.

VOTING SYSTEM ANNUAL FILING FORM

Ms. Eubank next discussed for the Board's information and approval a Voting System Annual Filing Form ("Form") from the Secretary of State's Office. She advised that pursuant to

Section 123.061 of the Texas Election Code, each political subdivision in the State of Texas is required to complete and file the Form with the Secretary of State's Office. After discussion, Director Rhodes made a motion to approve the Form and authorize MRPC to file same with the Secretary of State's Office, as required by law. Director Campbell 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. After discussion, the Board concurred to add an item to the July agenda regarding Water Evaporation Credits.

ADJOURNMENT OF BOARD MEETING

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


Secretary, Board of Directors

LIST OF EXHIBITS

June 1, 2015

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report
- Exhibit C. Delinquent Tax Report
- Exhibit D. Operations and Maintenance Report
- Exhibit E. Engineering Report
- Exhibit F. Bookkeeping Report
- Exhibit G. Records Destruction Request