

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

Minutes of Board of Directors Meeting  
August 3, 2015

**ACTIONS TAKEN**

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1. The Board of Directors (“Board) engaged Roth & Eyring, PLLC to prepare the District's audit reports for the fiscal years ending September 30, 2015, and September 30, 2016.
  2. The Board approved the minutes of the July 6, 2015, meeting.
  3. 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.
  4. The Board authorized Environmental Development Partners (“EDP”) to perform a water valve survey.
  5. The Board approved a resident’s request for reimbursement for charges relating to a backup cause by a District sewer line.
  6. The Board approved the Operations and Maintenance Report presented by EDP.
  7. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  8. The Board approved the Bookkeeper’s Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  9. The Board approved the Order Establishing Additional Meeting Place Inside the District designating Springhill Suites Hotel as a meeting place for the Board and District.
  10. The Board approved a trial period for off-duty patrol officers to patrol speeding on Cypresswood.
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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 August 3, 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 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"); Gregory Camp and Jeff Cotton of Environmental Development Partners, L.L.C. ("EDP"); Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); Paul Vangrieken and Kevin Drewes of Genesis Capital Advisors, L.L.C. ("Genesis"); Mark Roth of Roth & Eyring, CPA; and Kara Richardson of Marks Richardson PC ("MRPC").

#### **ENGAGEMENT OF AUDITOR**

As the first order of business, the Board considered the engagement of an auditor to prepare the District's audit report for the fiscal years ending September 30, 2015, and September 30, 2016. Mr. Roth made a presentation to the Board and advised that Roth & Eyring, PLLC's fee for the preparation of the audit reports is \$10,600.00 per year for the next two years. After discussion, Director Garner made a motion to engage Roth & Eyring, PLLC to prepare the District's audit reports for the fiscal years ending September 30, 2015, and September 30, 2016. 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 discussed a car break in at the parking lot on 249 in Chasewood. Deputy Martino noted that the existing private security patrol may not be adequate for the area and noted that he would like to attend the property owner's association meeting to discuss the matter.

#### **APPROVAL OF MINUTES**

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

## **DEVELOPERS' REPORTS**

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

The Board next considered the status of development in the District by Genesis. Mr. Vangrieken reported that the Springhill Suites Hotel has scheduled a grand opening and invited the Board to attend. He noted that the surcharge was paid in full in June and distributed the Loan Schedule (**Exhibit B**). Mr. Vangrieken further noted that EDP billed the surcharge was still charged in July even though the loan amount was paid in full in June. Mr. Camp stated that EDP will look at the possibility of crediting each account for the surcharge billed in July.

### **LONE STAR**

The Board next considered the development in the District by Lone Star. Mr. Eby stated that he has been contacted regarding a new building for Lone Star and noted that a waterline may need to be extended to the new building. He stated that he will present his findings at the meeting next month.

### **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 August 3, 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 99.99% and that there is only one real property account from 2013 with an outstanding balance. 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.

Mr. Arterburn noted that his office is working on updating the account list for the District's Strategic Partnership Agreement with the City of Houston.

### **OPERATIONS REPORT**

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

Mr. Camp reported that EDP replaced a coupling on the booster pump no. 1 shaft at water plant no. 1 and replaced the non-potable pump and motor at the wastewater plant. He noted that Source Point top cleaned the lift stations at the wastewater plant and at lift station no. 1.

Mr. Camp next requested that the Board authorize EDP to perform a water valve survey using the hydraulic valve turning machine to exercise all of the valves. He stated that the cost estimate to perform the work is \$5,500. After discussion, Director Theriot made a motion to authorize EDP to perform the water valve survey, as outlined above. Director Rhodes seconded the motion, which carried unanimously. Mr. Camp noted that EDP will wait to begin the work until they have received the updated maps from Mr. Eby.

Director Rhodes inquired about the time frame to complete the survey and produce the maps. Mr. Eby discussed the issues with the current maps and noted that they haven't been updated to include the new developments in the District. He noted that he is currently updating the maps and that he will provide copies to EDP once complete.

Mr. Camp next reported that EDP received a reimbursement request from the residents at 14602 Oaks Crossing Lane for plumbing bills totaling \$284.00 and related to sewer backups caused by a District sewer line. After discussion, Director Theriot made a motion to approve the request for reimbursement, as set out above. Director Campbell seconded the motion, which carried unanimously.

Mr. Camp next reported that the accountability for the month of July was 83.7% and noted that Mr. Thiry is investigating possible reasons for the low accountability.

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

### **ENGINEERING REPORT**

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

Mr. Eby reported that he inspected the park last month and that the only issue he identified was a sign at the playground that had been vandalized. He stated that he will try to clean it and that he will replace it if it cannot be cleaned.

Mr. Eby next reported that the SCADA system was repaired at Water Plant No. 2.

Mr. Eby next stated that he has contacted two security companies regarding proposals for monitoring the District's security system. He stated that one of the companies he met with indicated that they can work with the District's existing equipment and cameras. He noted that he also met with the second company who indicated that they cannot utilize the existing equipment and recommended the installation of their own equipment if they were hired to monitor the system. Mr. Eby stated that he will have proposals for the Board's review next month. Director Geaslen stated that he would like at least 3 proposals to consider.

Director Geaslen next discussed the monitoring report from Eyeforce and noted that the recent report only reflected one incident at the park when he was aware of several meetings at the park that should have triggered an incident report. He further discussed failure of the alerts to generate an "alert box" around the offending subject on the monitor.

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

Ms. Redden next reviewed a draft budget for the fiscal year ending September 30, 2016 (**Exhibit G**). Mr. Eby stated that he will look into switching phone service at the sewer plant and water plant.

## **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. The Board discussed the legislation that will be effective on September 1 which will allow entities to post notices of meeting on their websites. After discussion, the Board concurred to post the notices of meetings on the District's website, rather than with the county clerk's office, as of September 1<sup>st</sup>.

## **WASTE MANAGEMENT CPI ADJUSTMENT**

The Board next considered the annual CPI adjustment by Waste Management. Ms. Richardson reviewed correspondence from Waste Management (**Exhibit H**) outlining that the monthly service fee will increase from \$18.24 to \$18.56 per connection beginning September 1, 2015. Ms. Richardson noted that because this CPI adjustment is allowed pursuant to Waste Management's existing agreement with the District, no action was necessary.

## **ORDER ESTABLISHING ADDITIONAL MEETING PLACE**

The Board next considered adoption of an Order Establishing Additional Meeting Place Inside the District (**Exhibit I**) establishing Springhill Suites Hotel as a meeting place for the Board and District. After discussion, Director Rhodes made a motion to adopt the Order establishing Springhill Suites Hotel as a meeting place for the Board and District. Director Theriot seconded the motion, which carried unanimously.

## **PART TIME CONSTABLE PATROL**

The Board next discussed possible part time constable patrol. Director Geaslen stated that speeding on Cypresswood, in front of the park, is an issue. He presented a proposed Cypresswood Crossing Patrol Plan (**Exhibit J**) outlining a 12-week patrol plan to solely patrol speeding cars on Cypresswood. After discussion, Director Campbell made a motion to approve a 12-week trial period for the proposed Patrol Plan to begin before school starts. Director Theriot seconded the motion, which carried unanimously. Director Geaslen also suggested that the Board ask Precinct 4 to install a stop sign along Cypresswood.

## **LEGISLATIVE UPDATE**

The Board next considered the Legislative Update from the 84<sup>th</sup> Texas Legislature. Ms. Richardson presented the Update (**Exhibit K**) and recommended the Board review same for discussion at the September meeting.

## **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 September agenda regarding discussion on the water conservation meeting to be held on October 6<sup>th</sup>.

The Board next discussed the September Board meeting. After discussion, the Board concurred to meet on Tuesday September 8<sup>th</sup> at Springhill Suites Hotel.

## **ADJOURNMENT OF BOARD MEETING**

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

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

August 3, 2015

- Exhibit A. Patrol Report
- Exhibit B. Chasewood Loan Schedule
- Exhibit C. Tax Assessor-Collector's Report
- Exhibit D. Operations and Maintenance Report
- Exhibit E. Engineering Report
- Exhibit F. Bookkeeping Report
- Exhibit G. Draft Budget
- Exhibit H. Correspondence from Waste Management
- Exhibit I. Order Establishing Meeting Place Inside District
- Exhibit J. Cypresswood Crossing Patrol Plan
- Exhibit K. Legislative Update