

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
December 1, 2014

ACTIONS TAKEN

1. The Board of Directors ("Board") approved the minutes of the November 3, 2014, 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 approved the Operations and Maintenance Report presented by EDP.
 4. The Board approved the Engineering Report presented by Eby Engineers, Inc.
 5. 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 December 1, 2014, 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 Theriot, therefore constituting a quorum.

Also present were Deputy Joseph Martino and Corporal Melvin 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"); 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"); Kevin Drewes of Genesis Capital Advisors, L.L.C. ("Genesis"); Nick Albers of Springhill Suites by Marriott ("Springhill"); and Lindsey Eubank of Marks Richardson PC ("MRPC").

President Geaslen next called the meeting to order at 6:00 p.m. and declared it open for such business as might properly come before it.

APPROVAL OF MINUTES

As the first order of business, the Board considered approval of the minutes of the Board of Directors meeting held on November 3, 2014. After discussion, Director Garner moved to approve the minutes of the November 3, 2014, Board of Directors meeting, as written. Director Rhodes seconded the motion, which carried unanimously.

SECURITY PATROL REPORT BY THE CONSTABLE'S OFFICE

The Board next considered the Security Patrol Report. Deputy Martino reviewed the proposed increase in Constable contract rates which will be effective March 1, 2015 (**Exhibit A**). He next presented and reviewed the security report (**Exhibit B**), and he noted that the District was now part of "Precinct 4, District 8" because the Constable's office has renumbered the districts within Precinct 4. He also stated that the dispatch phone number will change January 1st when the Constables change to a new system. Director Geaslen requested that Deputy Martino give the new number to the District's security company.

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

DEVELOPERS' REPORTS

HP

The Board next considered the status of development in the District by HP. Mr. Jones reported that some of the backflow preventers have been installed and are ready to go. He next addressed the Board about HP's potential interest in purchasing the land adjacent to the Wastewater Treatment Plant from the District for HP to use for additional parking. Mr. Eby stated that HP will need to submit a formal request for the 2-3 acre site that includes a proposed site layout. Director Geaslen stated that Mr. Eby should consider the District's potential need for future expansion and additional capacity when evaluating the proposal. .. After discussion, Mr. Jones stated that he will send a formal proposal letter to MRPC for review. Ms. Eubank stated that after review, she will follow up with Mr. Eby regarding same.

GENESIS CAPITAL PARTNER, L.L.C.

The Board next considered the status of development in the District by Genesis. Mr. Drewes stated that he had nothing to report.

SPRINGHILL SUITES

The Board next considered the development in the District by Springhill Suites. Mr. Albers stated that Chasewood put up a deposit for \$9,500 for an impeller motor that will be needed for a future lift station expansion and that he believes that the Board agreed to refund this deposit since the District would eventually reimburse for the costs of same.

Ms. Eubank stated that she will look into what was previously agreed upon and report back to the Board.

CENTRE AT CYPRESS CREEK

The Board next deferred consideration of the status of 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 voters approved the bond proposition in the last election, and that the funds would be used in part to fund the construction of new buildings for the campus in the coming years. He stated that the science department and the performing arts will benefit from the new buildings.

TCH NORTHWEST ASSOCIATES ("TCH")

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

TAX ASSESSOR-COLLECTOR REPORT

The Board next considered the Tax Assessor-Collector Report. Ms. Pena presented and reviewed with the Board the attached Tax Assessor-Collector Report (**Exhibit C**) dated November 30, 2014. She reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. She noted that collections for 2013 are at 99.89% and that the collections for 2014 are at 4.76%. After discussion of the report, Director Garner moved 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.

Ms. Eubank next reviewed with the board the Delinquent Tax Report prepared by the District's tax collection law firm, Perdue, Brandon, Fielder, Collins & Mott, LLP (**Exhibit D**). Ms. Eubank noted that of the four delinquent accounts, two had been paid in full, one was still outstanding, and one was currently subject to the jurisdiction of the bankruptcy court.

OPERATIONS REPORT

The Board next considered the Operations and Maintenance Report. Mr. Thiry presented and reviewed the attached Operations and Maintenance Report (**Exhibit E**) dated December 1, 2014.

Mr. Thiry reported that EDP worked on various significant repairs during the month. He stated that EDP serviced and lubricated the equipment at the Wastewater Plant and that NTS completed the installation of the safety net and cable hanger at Lift Station #2. He also stated that EDP serviced and lubricated the equipment at the Water Plant and replaced the coupling and hubs for the #1 booster pump at the Water Plant.

Mr. Thiry next reported that the auto dialer for Water Plant #2 has been ordered.

Mr. Thiry next reported regarding the Notice of Violation the District received from the TCEQ regarding Chlorine Monitoring. He stated that the TCEQ is waiving the violations for 53 water systems, including the District, and that the Public Notice required by the violation will no longer have to be completed.

Director Geaslen noted that Lone Star was behind in paying its water bill, and requested that Director Garner bring this to Lone Star's attention.

Mr. Thiry next reported about a fire hydrant that had been hit by a vehicle in the District on the HP campus in an area where HP had recently poured concrete. He noted that the hydrant was presently located too far into the street and needed to be at least three feet from the curb. Director Geaslen inquired whether HP should pay for the necessary repairs, since HP poured the concrete and caused the street to encroach too close to the hydrant. He requested that Mr. Thiry send a letter to Mr. Jones at HP regarding the issue.

Director Geaslen next stated that he noted low water pressure at his residence at 7:25 a.m. this morning. Mr. Thiry stated that he will look into the matter.

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

ENGINEERING REPORT

President Geaslen then recognized Mr. Eby for presentation of the attached Engineer's Report (**Exhibit F**).

Mr. Thiry requested that Mr. Eby check that the water for the fountain and irrigation system at the park had been turned back on after the freeze. Mr. Eby stated that he inspected the park, and that everything was in working order.

Mr. Eby next reported on the status of the District's waste discharge permit, and stated that the permit renewal was currently pending before the TCEQ.

After discussion, Director Rhodes moved that the Engineering Report and the invoices set forth therein be approved as presented. Director Garner seconded the motion, which unanimously carried.

BOOKKEEPING REPORT

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit G**), including the checks presented for payment. After discussion, Director Garner moved that the Board approve the Bookkeeper's Report, including the checks presented for payment. Director Rhodes seconded the motion, which carried unanimously.

Director Geaslen inquired regarding the credit card fees charged by Merch Bankcard Billing, as reflected on the report. Ms. Redden stated that there is a \$25.00 monthly fee and a \$0.25 charge per transaction for credit card payments to the District.

DISTRICT WEBSITE

The Board next deferred considering the status of the District's website.

COMMEMORATION FOR FORMER DIRECTOR NICOSIA

A discussion next followed regarding options to commemorate former Director Nicosia's service to the District. Director Garner recommended dedicating a bench in the Park. After discussion, the Board concurred to defer taking any action until January.

SPRINGHILL SUITES

The Board next revisited the issue regarding development of Springhill Suites. Ms. Eubank noted that the Board's June minutes reflect that the Board agreed to reimburse Springhill for any amounts paid for the impeller motor in excess of \$5,000. Ms. Redden stated that her records reflected that Chasewood Park Hotel, LP had paid \$9,105.00 for the impeller motor. After

discussion, Ms. Redden agreed to confirm the amounts paid by Chasewood and to prepare a check for reimbursement for the difference at the next meeting.

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

December 1, 2014

- Exhibit A. Contract Pease Officer Rates
- Exhibit B. Security Report by Harris County Constable
- Exhibit C. Tax Assessor-Collector's Report
- Exhibit D. Delinquent Tax Report
- Exhibit E. Operations and Maintenance Report
- Exhibit F. Engineering Report
- Exhibit G. Bookkeeping Report