

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
May 2, 2016

ACTIONS TAKEN

1. The Board approved the minutes of the April 4, 2016, 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 approved the Operations and Maintenance Report presented by EDP.
 4. The Board approved payment of Pay Application No. 1 by Crostex Construction for the waterline repair in the amount of \$66,538.00.
 5. The Board authorized Brian Gardens Landscape to perform various repairs to the park and trails from the recent flooding, contingent upon receipt of an executed Form 1295.
 6. The Board approved the Engineering Report presented by Eby Engineers, Inc.
 7. The Board approved a Utility Development Agreement with Lone Star College.
 8. 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, 20303 Chasewood Park Drive, Houston, Harris, County, Texas 77070 on May 2, 2016, 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 Officers 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"); Greg Camp and Jeff Cotton 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 David Marks 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 April 4, 2016. After discussion, Director Rhodes made a motion to approve the minutes of the April 4, 2016, 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 A**). Deputy Singh reviewed the report and discussed car burglaries in the District.

The Officers exited the meeting at this time.

SECURITY MONITORING SERVICES

The Board next considered the status of security monitoring services. Director Rhodes reported that the security cameras at the Wastewater Treatment Plant have been out since the flooding the week of April 17th.

DEVELOPERS' REPORTS

LONE STAR

The Board next considered the status of development in the District by Lone Star. Director Garner stated he had nothing new to report.

GENESIS CAPITAL PARTNERS, L.L.C.

The Board next considered the status of development in the District by Genesis. Mr. Drew reported that the flooding cleanup of 3 Chasewood is complete and that a total of 9 tenant spaces were affected by the flooding.

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 April 30, 2016. He reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Campbell 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.

Mr. Arterburn next reported on a request from a resident who owes delinquent taxes. The Board deferred taking any action.

OPERATIONS REPORT

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

Mr. Camp reviewed repairs EDP made during the month and noted that all water valves have been located.

Mr. Camp next reported that due to the recent flooding of the wastewater plant, EDP requests the Board's authorization to replace the automatic refrigerated sampler at a cost of \$6,850.00. He noted that EDP is looking into ways to relocate the sampler to a higher elevation. Mr. Camp stated that EDP is obtaining additional prices to repair water damage that effected the main building. The Board concurred that EDP should get 2 additional bids for the replacement of the refrigerated sampler. After discussion, Director Theriot made a motion to authorize EDP to proceed with the lowest bid for the replacement of the sampler contingent to the receipt of an executed Form 1295. Director Rhodes seconded the motion, which carried unanimously.

Mr. Camp next reported that the water plant roof is leaking and in need of repairs. He presented a quote from a roof contractor in the amount of \$15,795.00. After discussion, the Board instructed EDP to get two additional bids for the repairs.

Mr. Camp next reported that the ventilation fans on top of each ground storage tank have failed and are in need of replacement. He stated that EDP is working with Eby on a solution and presented a proposal in the amount of \$8,294.25 for the replacement of both units. The Board deferred taking any action.

The Board next discussed District flood insurance in regards to the recent flooding event.

Mr. Camp next reported that the EDP has reported the District's lift station failure to the TCEQ and noted that the District will likely have plant violations due to the flooding.

Mr. Camp next reported that he received an email appeal from the customer at 13814 Lakewood Crossing Blvd stating that their toilet continued to run while they were out of town and that their subsequent bill was abnormally high. After discussion, Director Theriot made a motion to authorize EDP to grant the customer a 50% reduction in the subject water bill. Director Campbell seconded the motion, which carried unanimously.

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

CONSUMER CONFIDENCE REPORT

The Board next deferred considering approval of the Consumer Confidence Report and the distribution to customers.

ENGINEERING REPORT

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

Mr. Eby presented Pay Application No. 1 from Crostex Construction for the waterline repair in the amount of \$66,538.00 and recommended that the Board approve payment of same. He noted that the project is complete and that the retainage will be released next month. After discussion, Director Theriot made a motion to approve payment of Pay Application No. 1, as set out above. Director Campbell seconded the motion, which carried unanimously.

Mr. Eby next reported that the plans for the lift station rehabilitation will take approximately 1-2 more months to complete.

Mr. Eby next reviewed various work performed by Brian Gardens ("BG") during the month. He presented a quote from BG in the amount of \$19,050.65 for various repairs to the park and trails from the recent flooding. The Board discussed the items on the proposal and requested that Mr. Eby inspect the park equipment and prepare a separate estimate for the repair, replacement or removal of same. After discussion, Director Theriot made a motion to authorize BG to proceed with the rest of the repairs contingent upon receipt of an executed Form 1295. Director Rhodes seconded the motion, which carried unanimously.

Mr. Eby next reported that he completed a second review of the construction plans for the proposed Lone Star Science Building and that Lone Star is revising the plans per his additional comments. The Board discussed the lab discharges and how it will be handled. Director Garner noted that the process used is the same that the City of Houston and other MUDs use.

The Board next discussed an email from Lake Forest UD's ("LFUD") attorney regarding the construction of an emergency interconnect water line. Mr. Eby stated that LFUD approved the design and construction of the interconnect and its 50% cost contribution.

The Board next discussed a gate valve 22 on Compass Center Drive. Mr. Eby recommended that the valve be removed and replaced. After discussion, the Board requested that EDP prepare a cost estimate for the work.

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

UTILITY DEVELOPMENT AGREEMENT WITH LONE STAR COLLEGE

The Board next considered the approval of a Utility Development Agreement with Lone Star College. After discussion, Director Theriot made a motion to approve the Utility Development Agreement and to authorize the President to execute same on behalf of the Board and District. Director Campbell seconded the motion, which carried unanimously.

UTILITY COMMITMENT REQUESTS

The Board next deferred consideration of the issuance of utility commitments, after noting that no requests had been received.

BOOKKEEPING REPORT

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit E**), 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.

REQUEST FROM CCMTB

The Board next discussed a request from CCMTB for the District to enter into an agreement with Harris County Flood Control District ("HCFCD") regarding the maintenance of trails. Director Campbell stated that the Greater Houston Off Road Bikers Association ("GHORBA") wants to partner with the Board and HCFCD to work on the trails in the District. She noted that the GHORBA has its own insurance. Mr. Eby noted that the District has an agreement with the HCFCD that covers all the asphalt trails in the District. Director Campbell stated that she will get a sample agreement from the GHORBA and forward to MRPC for Ms. Richardson's review.

DISTRICT WEBSITE

The Board next considered the status of the District's website. Director Theriot reported that everything is up to date.

ITEMS FOR FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. Director Geaslen asked if there was any update on the Board's request for credit to the North Harris County Regional Water Authority. Mr. Marks stated that he will check on the status of the request.

Mr. Marks next presented correspondence from Waste Management regarding Emergency Information for the District. After discussion, the Board concurred that MRPC should complete and return the correspondence to Waste Management.

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 2, 2016

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report Taxes
- Exhibit C. Operations and Maintenance Report
- Exhibit D. Engineering Report
- Exhibit E. Bookkeeping Report