

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
September 8, 2015

ACTIONS TAKEN

1. The Board approved the minutes of the August 3, 2015, 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 authorized the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2015 maintenance and operations tax rate of \$0.13 per \$100 of valuation to be held at the District's next regular meeting.
 4. The Board approved the Operations and Maintenance Report presented by 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 an operating budget for the fiscal year ending September 30, 2016.
 8. The Board authorized spending up to \$3,000.00 in connection with the annual Water Conservation Meeting.
 9. The Board approved and authorized MRPC to file certain required forms with the Comptroller related to Eminent Domain Authority.
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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 September 8, 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, Lieutenant Jolly, and Deputy Gonzales 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 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"); Ed Jones of Hewlett Packard ("HP"); and Kara Richardson 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 August 3, 2015. After discussion, Director Rhodes made a motion to approve the minutes of the August 3, 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 A**). Deputy Martino reviewed the report and recommended adding a third shift deputy to patrol speeding on Cypresswood. Lieutenant Jolly discussed the option of off-duty patrol at a cost of \$40/hour. Director Geaslen stated that the Board approved off-duty patrol last month and that he will let Lieutenant Jolly know when to begin the extra patrol.

DEVELOPERS' REPORTS

GENESIS CAPITAL PARTNERS, L.L.C.

The Board next considered the status of development in the District by Genesis. Mr. Drewes inquired about the status of the refund for the July surcharge. Mr. Thiry stated that EDP is working on it and that it be credited to each account. Mr. Drewes further inquired about the status of refunds for overpaid property taxes. Mr. Arterburn stated that his office should receive the refund soon from HCAD.

LONE STAR

The Board next considered the development in the District by Lone Star. Mr. Eby stated that he spoke with Lone Star's engineer about dedicating its detention pond to Harris County Flood Control District ("HCFCD"). He further stated that the engineer informed him that the trees and land near the lift station would need to be cleared as a condition to HCFCD's acceptance of the pond.

HP

The Board next considered the status of development in the District by HP. Mr. Jones reported that the Compaq Center Drive West Owners Association ("CCDWOA") would like a presence on the Board due to mutual interests in the District. Ms. Richardson stated that a person would need to be a registered voter in the District or own property in the District to be eligible to serve on the Board. The Board concurred to add an item to each agenda to hear issues and updates from CCDWOA.

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 August 31, 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%. 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 Garner seconded the motion, which carried unanimously.

Mr. Arterburn next presented the attached list of delinquent accounts, dated September 8, 2015, as prepared by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (**Exhibit C**). He noted that Donna Nix was offered a payment plan.

2015 TAX RATE RECOMMENDATION

The Board next received the Financial Advisor's recommendation concerning the establishment of the District's 2015 tax rate. Ms. Richardson presented correspondence from the District's Financial Advisor (**Exhibit D**) and noted that they recommend that the District levy a 2015 maintenance and operations tax rate of \$0.13 per \$100 of valuation. After discussion, Director Theriot made a motion to authorize the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2015 maintenance and operations tax rate of \$0.13 per \$100 of valuation to be held at the District's next regular meeting. Director Garner seconded the motion, which carried unanimously.

OPERATIONS REPORT

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

Mr. Thiry reported that EDP repaired the automatic sampler pump assembly. He also noted that GM Services performed a well performance test on well no. 2 during the month and that the well is performing satisfactorily.

Mr. Thiry next reported that the existing Detcon explosive gas detector is not working. He noted that Detcon has been somewhat difficult to work with, but that they provided a quote for a replacement unit at a cost of \$10,277. Director Geaslen instructed Mr. Thiry to obtain an additional bid for the work. After discussion, Director Campbell made a motion to authorize EDP to evaluate the bids and choose the product that provides the best value to the District, considering cost as well as customer service. Director Garner seconded the motion, which carried unanimously.

Mr. Thiry next reported that the accountability for the month of July was 89.8%.

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

ENGINEERING REPORT

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

Mr. Eby reported that Brian Gardens cleaned the trail, removed stumps, and performed irrigation repairs during the month. He noted that a cable fence and a sign in the park are both in need of repair.

Mr. Eby next stated that he is still updating the District maps per the valve survey. He also noted that he recommends rehabilitating the lift station within the next year.

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

SECURITY MONITORING SERVICE PROPOSALS

The Board next considered proposals for security monitoring services. Mr. Eby stated that he received 3 bids for monitoring service. The first bid was from Pro Vigil reflecting a monthly fee of \$2,648.18. The second bid was from Stealth Monitoring reflecting a monthly fee of \$4,048. The third bid was from SEAL Security Monitoring reflecting a monthly fee of \$700. He stated that he plans to meet with SEAL Security Monitoring to inquire if the District's existing equipment is compatible and to get a pricing on any additional equipment that might be required.

Mr. Eby next stated that he went by the park to see if the existing monitoring service would catch him on camera and that he never received a notification of his presence. Director Rhodes noted that he did not receive the monthly monitoring report.

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 Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Campbell seconded the motion, which carried unanimously.

ADOPTION OF BUDGET

The Board next considered adoption of operating budget for fiscal year ending September 30, 2016 (**Exhibit H**). The Board discussed reducing the sales tax revenue projection on the budget. After discussion, Director Rhodes made a motion to approve the budget, as revised. Director Theriot seconded the motion, which carried unanimously.

WATER CONSERVATION MEETING

The Board next discussed the annual Water Conservation Meeting. Director Theriot reported that the meeting will take place in conjunction with National Night Out and that this year's meeting will take place at 6:00 p.m. on October 6, 2015, within the District. After discussion, Director Rhodes made a motion to authorize the District to fund \$3,000.00 in conjunction with the annual Water Conservation Meeting. 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 and that the notices of meetings are now being posted on the District's website, rather than with the county clerk's office. She further noted that the contact information for EDP has been updated.

EMINENT DOMAIN AUTHORITY

The Board next considered authorizing MRPC to prepare and file certain required information with the Comptroller related to the District's Eminent Domain authority as required by Senate Bill 1812 passed by the Texas Legislature. After discussion, Director Rhodes made a motion to authorize MRPC to prepare and file same on behalf of the Board and District. Director Theriot seconded the motion, which carried unanimously.

RESOLUTION NOMINATING CANDIDATE FOR HCAD

The Board next considered the approval of a Resolution Nominating a Candidate for a Position on the Board of Directors of the Harris County Appraisal District. After discussion, the Board concurred to take no action.

LEGISLATIVE UPDATE

The Board next considered the Legislative Update from the 84th Texas Legislature. Ms. Richardson reviewed the Legislative Update (**Exhibit I**) and summarized the recently enrolled legislation that may impact the District.

CYPRESSWOOD PATROL

The Board next discussed Cypresswood Patrol, including considering the approval of a contract with On-Site Protection, Inc. Director Geaslen stated that he contacted On-Site after Deputy Martino stated that the Constable's office could not cover the off-duty patrol. He stated that Deputy Martino has since informed him that the Constable's office can cover the off-duty patrol. Director Geaslen noted that the Board approved off-duty patrol by the Constable's office last month and that the Board will proceed with utilizing that option.

BOARD MEETING PLACE

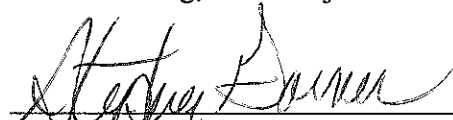
The Board next discussed the Board meeting place. After discussion, the Board concurred to meet at Springhill Suites again next month.

ITEMS FOR FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. Ms. Richardson presented correspondence from Grow Northwest (**Exhibit J**). After discussion, the Board declined to place an item on the agenda relative to same.

ADJOURNMENT OF BOARD MEETING

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



Secretary, Board of Directors

LIST OF EXHIBITS

September 8, 2015

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report
- Exhibit C. Delinquent Tax Report
- Exhibit D. Financial Advisor Correspondence
- Exhibit E. Operations and Maintenance Report
- Exhibit F. Engineering Report
- Exhibit G. Bookkeeping Report
- Exhibit H. 2016 Budget
- Exhibit I. Legislative Update
- Exhibit J. Grow Northwest Correspondence