

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
October 2, 2017

ACTIONS TAKEN

1. The Board approved the minutes of the September 11, 2017, 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 2017 maintenance and operations tax of \$0.13 per \$100 of valuation to be held at the District's next regular meeting.
4. The Board approved a quote for storage tank and gas stripper ladder security hatches at the Water Plant presented by EDP.
5. The Board approved a quote for additional staircases and rails for safety at the Wastewater Treatment Plant presented by EDP.
6. The Board approved a quote for installation of the temporary generator at the Wastewater Treatment Plant presented by EDP.
7. The Board approved designation of EDP as primary agent for FEMA application.
8. The Board concurred that EDP not disconnect water for delinquent accounts and waive the penalties and late fees for same.
9. The Board approved the Operations and Maintenance Report presented by EDP.
10. The Board approved a quote from Patriot Production in the amount of \$5,012 presented by Eby Engineers, Inc.
11. The Board authorized repairs to cameras damaged during the flooding.
12. The Board approved for EDP to complete repairs of inlets and install grates.
13. The Board authorized Eby to begin preparation of design plans for electrical equipment and installation of generator at Wastewater Treatment Plant.
14. The Board approved a quote for park and trail repairs from Brian Gardens relative to the damage caused by flooding.
15. The Board approved the Engineering Report presented by Eby Engineers, Inc.

16. 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 7979 Willow Chase Blvd., Houston, Harris County, Texas 77070 on October 2, 2017, 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 Singh 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 Jeff Cotten of Environmental Development Partners, L.L.C. ("EDP"); Paul Vangrieken of Genesis Capital Advisors, L.L.C. ("Genesis"); Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); Matt Dustin of RBC Capital Markets, LLC ("RBC"); Curtis Brown of Residential Refuse and Recycling of Texas, Inc. ("RRRT"); 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 September 11, 2017. After discussion, Director Theriot made a motion to approve the minutes of the September 11, 2017, 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 (**Exhibit A**). Deputy Singh reviewed the report and discussed the activity that occurred in the District within the last month.

SECURITY MONITORING SERVICES

The Board next deferred consideration of the status of security monitoring services.

STATUS OF TRANSITION OF GARBAGE COLLECTION SERVICES

The Board next considered the status of transition of garbage collection services from Waste Management ("WM") to RRRT. The Board discussed the start date of November 3, 2017, for garbage collection services by RRRT. Mr. Brown then stated that a notice (**Exhibit B**) would be provided to residents advising of the plan for picking up the WM recycling bins.

DEVELOPERS' REPORTS

The Board next considered the status of development in the District. Mr. Vangrieken stated that Genesis was currently working on flood restoration within the District.

TAX ASSESSOR-COLLECTOR REPORT

The Board next considered the Tax Assessor-Collector Report. Mr. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit C**) dated September 30, 2017. The Board 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, to approve the checks identified in the report for payment, and to authorize moving the subject delinquent accounts to collections. Director Theriot seconded the motion, which carried unanimously.

2017 TAX RATE RECOMMENDATION

The Board next received the Financial Advisor's recommendation concerning the establishment of the District's 2017 tax rate. Mr. Dustin distributed and reviewed financial schedules (**Exhibit D**), and recommended that the District levy a 2017 maintenance and operations tax of \$0.13 per \$100 of valuation. He stated that the current assessed valuation is \$100 million less than this time last year. After discussion, Director Rhodes made a motion to authorize the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2017 maintenance and operations tax 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 on recommended repairs to the Water Plant. He presented and reviewed a proposal from Alvin Contracting for the installation of a storage tank and gas stripper ladder security hatches, in an amount not to exceed \$2,025.00. Mr. Thiry presented an executed TEC Form 1295 regarding same. After discussion, Director Rhodes made a motion to approve the proposal from Alvin Contracting, as set out above. Director Garner seconded the motion, which carried unanimously.

Mr. Thiry next reported on recommended repairs to the Wastewater Treatment Plant. He presented and reviewed a proposal from Alvin Contracting for the installation of additional staircases and rails for safety, in an amount not to exceed \$6,975. Mr. Thiry presented an executed TEC Form 1295 regarding same. After discussion, Director Rhodes made a motion to approve the proposal from Alvin Contracting, as set out above. Director Garner seconded the motion, which carried unanimously.

Mr. Thiry reported that NTS replaced the main breaker at the Water Plant.

Mr. Thiry next presented and reviewed a proposal from GenSolutions LLC for the extended generator rental and installation of the transfer switch, in an amount not to exceed \$12,645.00. Mr. Thiry presented an executed TEC Form 1295 regarding same. After discussion, Director Rhodes made a motion to approve the proposal from GenSolutions LLC, as set out above. Director Garner seconded the motion, which carried unanimously.

Mr. Thiry presented and reviewed a Federal Emergency Management Agency ("FEMA") Designation of Applicant's Agent designating EDP as the primary agent to file an application for public assistance on behalf of the District. After discussion, Director Rhodes made a motion to approve EDP as primary agent for filing an application for public assistance with FEMA. Director Garner seconded the motion, which carried unanimously. Mr. Thiry noted that EDP had met with insurance representatives regarding the insurance claims filed for the District's equipment that was damaged during the flooding.

Mr. Thiry reported that an insert would be included in resident's upcoming water bills regarding EDP's new mailing address.

The Board next discussed whether EDP should not disconnect water for any delinquent accounts and that all penalties and late fees for delinquent accounts be waived. After discussion, the Board concurred that EDP not disconnect water for any delinquent accounts and waive all penalties and late fees relative to same.

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

DISASTER RECOVERY EFFORTS

The Board next deferred a discussion regarding disaster recovery efforts related to the recent flooding caused by Hurricane Harvey.

ENGINEERING REPORT

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

Mr. Eby reported on the status of the contract with WW Payton Corporation ("Payton") for the generator installation at the District's two lift stations. He reported that the generators are set and the contractors are working on the electrical wiring. He also stated that Eby is waiting on CenterPoint to deliver gas to the lift stations.

Mr. Eby reported regarding the repair of the back-pressure gas regulator and monthly inspection and maintenance of the flare by Patriot Production ("Patriot"). He stated that Patriot inspected the flare stack pilot at the Water Plant and that a new pilot would need to be installed at a cost of \$5,012. He presented an executed TEC Form 1295 relative to same. After discussion, Director Rhodes made a motion to approve the proposal from Patriot, as set out above. Director Theriot seconded the motion, which carried unanimously.

The Board deferred the acceptance of conveyance from Lone Star Science Building until next month's meeting.

Mr. Eby next reported on the status of the lift station rehabilitation project. He stated that CenterPoint has proposed a new design layout for the electrical service line and meter and that he is in agreement with the proposed layout. Mr. Eby stated that once he knows the timing for the installation of the CenterPoint meter, he will bid the project.

Mr. Eby reported that approximately half of the cameras are not functioning properly due to the flooding. After discussion, the Board concurred that the remaining cameras be repaired and made operational.

Mr. Eby next reported that the District's discharge permit renewal application was declared administratively complete on August 24, 2017, and that the notice of the permit renewal was ready to be published.

Mr. Eby next reviewed the warning signs which were installed in certain areas of the hike and bike trails that were damaged during the flooding.

Mr. Eby next reviewed a quote from Brian Gardens for repairs to the park property and trails that were damaged during the flooding. The Board concurred to make certain repairs as reflected on the revised quote attached to **Exhibit F**.

Mr. Eby next reported regarding televising the storm sewer lines and stated that Chief would be televising the lines today. He stated that the problem is most likely due to a blockage and he suggested changing out the inlet plates and replacing them with grates. Mr. Eby suggested that EDP perform the needed repairs. After discussion, Director Rhodes made a motion that EDP perform the work as set out above. Director Garner seconded the motion, which carried unanimously.

Mr. Eby reported that most of the District's electrical equipment flooded and would need to be replaced. He recommended that the electrical equipment be raised prior to repairs in an effort to avoid damage from future flooding. Mr. Eby discussed the cost estimate for replacement of the electrical equipment and recommended that the generator installation be separated out as a separate project. He recommended moving forward with the preparation of design plans for same. After discussion, the Board concurred that Eby be authorized to begin preparation of design plans for the replacement of the District's electrical equipment and the installation of the generator at the Wastewater Treatment Plant.

After discussion, Director Rhodes made a motion to approve the Engineering Report. Director Garner seconded the motion, which carried unanimously.

FACILITIES INSPECTION REPORT

The Board next deferred consideration of a discussion related to the Facilities Inspection 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 Garner made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Theriot seconded the motion, which carried unanimously.

REQUEST FROM GHORBA

The Board next considered a request from the Greater Houston Off-Road Biking Association ("GHORBA") regarding trail maintenance. The Board discussed including a ninety (90) day termination clause to the District's existing Interlocal Agreement with Harris County Flood Control District ("HCFCD") and the District's maintenance obligations related to same. The Board then deferred action on the matter.

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.

Asst. 
Secretary/Board of Directors

LIST OF EXHIBITS

October 2, 2017

- Exhibit A. Patrol Report
- Exhibit B. Correspondence to Residents regarding WM's bins
- Exhibit C. Tax Assessor-Collector's Report
- Exhibit D. 2017 Tax Rate Recommendation
- Exhibit E. Operations and Maintenance Report
- Exhibit F. Engineering Report
- Exhibit G. Bookkeeping Report