

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

Minutes of Board of Directors Meeting  
April 2, 2018

**ACTIONS TAKEN**

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1. The Board approved the minutes of the March 5, 2018, 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 adopted a Resolution Authorizing an Additional Penalty on Delinquent Taxes.
  4. The Board approved the Hazard Mitigation Cost Summary from the Federal Emergency Management Agency.
  5. The Board approved the Operations and Maintenance Report presented by EDP.
  6. The Board authorized the Operator to prepare a draft Consumer Confidence Report.
  7. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  8. The Board adopted the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.
  9. 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 12779 Jones Road, Houston, Harris County, Texas 77070 on April 2, 2018, 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 Sergeant Westmoreland 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"); Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); Becky Burns of Transwestern; and David Marks of Marks Richardson PC ("MRPC").

#### **APPROVAL OF MINUTES**

The Board first considered approval of the minutes of the Board of Directors meeting held on March 5, 2018. After discussion, Director Garner made a motion to approve the minutes of the March 5, 2018, Board of Directors meeting, as written. Director Theriot seconded the motion, which carried unanimously.

#### **SECURITY MONITORING SERVICES**

The Board next considered the status of security monitoring services. Director Rhodes stated that Advantage Security Integration completed placement of the camera wire in conduit and burying it underground.

#### **SECURITY PATROL REPORT BY THE CONSTABLE'S OFFICE**

The Board next considered the Security Patrol Report (**Exhibit A**). Sergeant Westmoreland reviewed the report and discussed the activity within the District the past month. Mr. Thiry noted that Harris County invoiced the District for alarms going off in the park and he stated that he will call Harris County and the security monitoring company to investigate.

#### **DEVELOPERS' REPORTS**

The Board next considered the status of development in the District. Ms. Burns noted that she had nothing new to report.

## **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Mr. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit B**) dated March 31, 2018. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Garner 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.

## **RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT TAXES**

Mr. Marks next advised the Board that pursuant to Section 33.07 of the Tax Code, as amended, the Board is authorized to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due to the District on July 1 on taxes that remain delinquent as of July 1 of the year in which they become delinquent. After discussion, Director Rhodes made a motion to adopt the Resolution Authorizing Additional Penalty on Delinquent Taxes (**Exhibit C**). Director Campbell seconded the motion, which carried unanimously.

## **OPERATIONS REPORT**

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

Mr. Thiry reported that the WWTP is operating at half capacity due to HP being closed due to Hurricane Harvey.

Mr. Thiry reported that the water valve survey is now complete and that all valves have been located and logged using GPS and photos. Mr. Thiry stated that the report was sent to Director Geaslen prior to the meeting.

Mr. Thiry presented correspondence from the North Harris County Regional Water Authority ("NHCRWA") advising of the increase in the well pumpage fee from \$2.90 per 1,000 gallons to \$3.40 per 1,000 gallons and the surface water fee from \$3.35 per 1,000 gallons to \$3.85 per 1,000 gallons effective April 1, 2018 and stated the District's rates will increase accordingly.

Mr. Thiry reported that the water well testing of the #2 water well was completed on February 5, 2018, and that no problems were found.

Mr. Thiry reported that water accountability for the month of February was 95% and reported that the District's facilities operated in compliance with their respective permits for the month.

The Board next considered the annual report on the District's Identity Theft Prevention Program. Mr. Thiry noted that there are no identify theft issues to report.

Mr. Thiry reported on the disaster recovery efforts. He stated that he met with the Federal Emergency Management Agency ("FEMA") last week to discuss the mitigation costs for raising the electrical equipment. Mr. Thiry then presented and reviewed the Hazard Mitigation Cost Summary from FEMA. Mr. Eby reviewed various spreadsheets showing the costs associated with the mitigation work at each of the four facilities in the District and recommended that the Board approve the Cost Summary from FEMA. Mr. Thiry stated that upon approval by the Board, the report will be reviewed by the State of Texas and he noted that the District is not required to complete the projects listed, however, upon approval by the State and if/when the District completes the projects, the State will reimburse the District. After discussion, Director Theriot made a motion to approve the Hazard Mitigation Cost Summary from FEMA, authorize the President to execute same on behalf of the Board and the District, and authorize EDP to forward same to the State of Texas for review. Director Rhodes seconded the motion, which unanimously carried.

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 as same was discussed under the operator's report and will also be addressed under the engineer's report.

#### **CONSUMER CONFIDENCE REPORT**

The Board next considered authorizing the operator to prepare a draft Consumer Confidence Report. After discussion, Director Garner made a motion to authorize the operator to prepare a draft Consumer Confidence Report for review by the Board. Director Theriot seconded the motion, which carried unanimously.

#### **ENGINEERING REPORT**

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

Mr. Eby reported on the status of the contract with W.W. Payton Corporation ("Payton") for the generator installation at the District's two lift stations. He stated that the project is substantially complete and is awaiting receipt of the final pay estimate.

Mr. Eby next reported on the status of the lift station rehabilitation project. He stated that CenterPoint is reviewing the necessary easements for HP and will begin building the line once the easements are recorded.

Mr. Eby next reported on the electrical improvements at the WWTP. He stated that he is finishing the design plans for raising the blowers at the WWTP and anticipates completing the plans in approximately two (2) to four (4) weeks.

Mr. Eby reported on the Faulkey Gully tract and stated that the storm sewer work is complete and that he will be obtaining proposals for the trail work on Faulkey Gully at the bridge.

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

Director Theriot requested that Mr. Eby contact Harris County regarding an update on the storm sewer line replacement and investigate whether the District has any other drainage issues.

#### **RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE**

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. Mr. Marks presented a spreadsheet reflecting Prevailing Wage Rates for Construction Projects for the Harris County Department of Labor (**Exhibit F**) and reviewed the Resolution with the Board. After discussion, Director Rhodes made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale For Construction Projects based on the Harris County Department of Labor rates. 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 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.

#### **REQUEST FROM GHORBA**

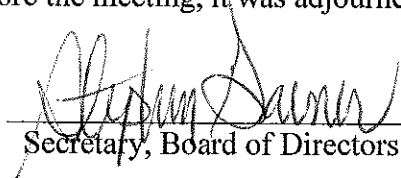
The Board next deferred consideration of a request from the Greater Houston Off-Road Biking Association ("GHORBA") regarding trail maintenance until next month's meeting.

#### **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**

April 2, 2018

- Exhibit A. Patrol Report
- Exhibit B. Tax Assessor-Collector's Report
- Exhibit C. Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit D. Operations and Maintenance Report
- Exhibit E. Engineering Report
- Exhibit F. Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit G. Bookkeeping Report