

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

Minutes of Board of Directors Meeting

August 6, 2018

**ACTIONS TAKEN**

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1. The Board approved the minutes of the July 2, 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 approved the request from RRRT for a recycling rate increase of \$1.15 per home, per month.
  4. The Board approved an Order Selecting Depository designating Central Bank as a depository for the District.
  5. The Board authorized EDP to replace the lift station controller at the WWTP.
  6. The Board authorized Director Garner to act on behalf of the Board to approve and execute a Rental Agreement with Gen Solutions LLC.
  7. The Board approved the Operations and Maintenance Report presented by EDP.
  8. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  9. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  10. The Board approved the appropriation of \$3,000 in connection with the Water Conservation Meeting that will take place in conjunction with National Night Out on October 2, 2018.
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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 August 6, 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 Deputy Singh and 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"); Rashelle Arterburn of Utility Tax Service, L.L.C. ("UTS"); Curtis Brown of Residential Recycling and Refuse of Texas, Inc. ("RRRT"); and Kara Richardson of Marks Richardson PC ("MRPC").

#### **APPROVAL OF MINUTES**

The Board first considered approval of the minutes of the Board of Directors meeting held on July 2, 2018. After discussion, Director Rhodes made a motion to approve the minutes of the July 2, 2018, Board of Directors meeting, as written. Director Theriot seconded the motion, which carried unanimously.

#### **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Ms. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit A**) dated July 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 and to approve the checks identified in the report for payment. Director Campbell seconded the motion, which carried unanimously.

#### **SOLID WASTE COLLECTION SERVICES**

The Board next considered the status of solid waste collection services for the District. Mr. Brown stated that RRRT is asking the Board to approve an increase of \$1.15 per home, per month for recycling service which would bring the total monthly cost per home for garbage and recycling services to \$15.30. He next presented and reviewed correspondence from RRRT dated July 25, 2018, a copy of which is attached hereto as (**Exhibit B**). He stated that the proposed increase would bring the monthly recycling fee to \$4.05 per home. The Board next discussed the option of eliminating recycling services for the District. Mr. Brown noted that the elimination of recycling services would decrease the total monthly cost per home to \$12.25. After discussion, Director

Rhodes made a motion to approve the proposed rate increase of \$1.15 per home per month for recycling services, and to discuss the possibility of eliminating recycling services in the future with residents at the Water Conservation Meeting. Director Theriot seconded the motion, which unanimously carried.

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

The Board next considered the Security Patrol Report, a copy of which is attached hereto as (**Exhibit C**), and the status of security monitoring services within the District. Deputy Singh reviewed the report and discussed the activity within the District over the past month. She stated that three (3) motor vehicles were burglarized and that the arson investigation unit was called to the scene of a house on Lakewood Crossing Boulevard. She noted that the fire accidentally started from fireworks in the home's garage but that the arson unit investigates every home fire as a matter of course. Director Theriot asked about National Night Out and the Constable's attendance at the event. Deputy Singh confirmed that the Constable will attend.

### **DEVELOPERS' REPORTS**

The Board next considered the status of development in the District. No one present had anything to report.

### **DISCUSS FLOODING ISSUES IN THE DISTRICT**

The Board next discussed flooding issues within the District. Mr. Eby stated that he sent the Harris County Flood Control District ("HCFCD") a wish-list of District-specific flood mitigation improvements indicated from the drone footage and various visual inspections of the District. He stated that the HCFCD advised him that the District's wish-list items will be added to Harris County's list of proposed improvements to be funded from the proposed bond issue to be voted on August 25, 2018.

Mr. Eby stated that he is revising the plans for the electrical improvements at the WWTP based on the survey information he received. He stated that all Harvey related invoices are being sent to EDP for purposes of filing claims with the Federal Emergency Management Agency ("FEMA"). Mr. Eby stated that FEMA will fund projects exceeding \$120,000 on a reimbursement basis after the completion of the project. He stated that the FEMA reviewer assigned to the District has indicated his approval for funding the District's projects currently submitted for FEMA funding, and that the application package has been sent to the State for final review and approval as the State will be administering the funds on behalf of FEMA. Mr. Eby next stated that the fence has been installed along the washed-out trail and that he will include the cost estimate for same with the submittal to FEMA.

### **APPROVE ORDER SELECTING DEPOSITORY**

The Board next considered the approval of an Order Selecting Depository. Ms. Arterburn stated that UTS would like to move the District's tax account from Wells Fargo to Central Bank and recommended that the Board designate and appoint Central Bank as a depository for the

District. After discussion, Director Garner made a motion to approve the Order Selecting Depository for Central Bank (**Exhibit D**), and authorize the President to execute and the Secretary to attest same on behalf of the Board and the District. Director Garner seconded the motion, which unanimously carried.

## **OPERATIONS REPORT**

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

Mr. Thiry stated that NTS is scheduled to repair the air lift pumps and diffuser supports in digester 1 at the WWTP.

Mr. Thiry stated that the air conditioner in the building at the WWTP appears to be working again and recommended that the Board defer replacing the unit until such time as the unit malfunctions in the future.

Mr. Thiry stated that the ultrasonic lift station controller at the WWTP needs to be replaced. He stated that EDP can replace the controller for approximately \$2,800. After discussion, Director Theriot made a motion to approve the replacement of the lift station controller at a cost of \$2,800. Director Campbell seconded the motion, which unanimously carried.

Mr. Thiry next presented and reviewed a generator equipment rental agreement with GenSolutions LLC ("Gen Solutions") for lift station no. 1 to reserve a standby generator for the upcoming hurricane season. He stated that EDP will subcontract with GenSolutions for the rental. He then presented a TEC Form 1295 from Gen Solutions. Mr. Eby suggested that the District enter into a longer-term lease with Gen Solutions so that the lift station has a generator while the District is waiting on CenterPoint to set the new meter at the lift station. Mr. Thiry stated that he will coordinate with Gen Solutions to see if he can obtain better pricing for a longer-term lease. After discussion, Director Theriot made a motion to authorize Director Garner to make a decision on behalf of the Board and District to approve and execute a rental agreement with Gen Solutions on behalf of the Board and the District. Director Rhodes seconded the motion, which unanimously carried.

The Board next considered a report regarding a mass notifications system for the District. Mr. Thiry presented a proposal from Slick Text, a copy of which is attached hereto as (**Exhibit F**) and discussed the various plan options for the system. The Board directed EDP and MRPC to coordinate and proceed with implementation of the system. The Board requested that an item be added to the agenda for next month's meeting to discuss same.

The Board next discussed the North Harris County Regional Water Authority and recent water quality issues.

Mr. Thiry reported that the District accounted for 96.6% of the water pumped during the month of June.

Mr. Thiry next reported on installing grates on all of the inlets that have not already been retrofitted with grates. He stated that EDP is working to obtain pricing for the installation of the grates on the remaining inlets within the District.

Director Garner next asked about green streaking on the ground storage tanks. Mr. Eby stated that he believes the streaks are related to jet fuel drops from airplanes flying overhead. Mr. Thiry stated that EDP can obtain pricing to have the tanks power-washed. The Board took no action on the matter at this time.

After discussion, Director Garner 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.

### **ENGINEERING REPORT**

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

Mr. Eby reported on the status of the lift station rehabilitation project. Mr. Eby reminded the Board that CenterPoint put in a three-phase power line when HP started selling off its property and that, after reviewing the drawings from CenterPoint, it appears as though there is a major power line running directly under the District's lift station, and that the power line is not located in an easement. He stated that the project is currently on hold waiting on information from CenterPoint. Mr. Eby stated that he contacted Mr. Barry Parks of Lone Star College who advised that the project is delayed due to the lack of easement. He stated that Eby will coordinate with CenterPoint and HP to convey an easement to HP and that he will bid the project after the easement issue is resolved.

Mr. Eby next reported on the electrical improvements at the WWTP. He stated that Eby is currently revising the plans with survey information and will send the plans to Harris County for approval once complete. Mr. Eby stated that once approval is received from Harris County, he will move forward with bidding the project.

Mr. Eby reported on the monthly inspection and maintenance of the flare by Patriot Production ("Patriot"). He stated that Patriot inspected the flare and that it is functioning properly.

Mr. Eby next reported on the installation of fencing on the side of Cypress Creek between Jones Road and Cypresswood Drive. He stated that the Anchor Group, Inc. has completed the installation of the additional fencing.

After discussion, Director Garner made a motion to approve the Engineering Report. 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 H**), including the checks presented for payment. The Board discussed the Harvey-related expenses and Director Geaslen requested that EDP prepare an updated spreadsheet of the costs related to same. After discussion, Director Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Garner 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. Ms. Richardson stated that HCFCD is currently reviewing the matter.

### **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 on October 2, 2017, at 6:00 p.m., within the District. She requested that the District appropriate \$3,000 for the event. After discussion, Director Garner made a motion to authorize the appropriation of \$3,000 for the event. Director Campbell seconded the motion, which carried unanimously.

### **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**

August 6, 2018

- Exhibit A. Tax Assessor-Collector's Report
- Exhibit B. Correspondence from RRRT
- Exhibit C. Patrol Report
- Exhibit D. Order Selecting Depository
- Exhibit E. Operations and Maintenance Report
- Exhibit F. Slick Text handout
- Exhibit G. Engineering Report
- Exhibit H. Bookkeeping Report