

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

Minutes of Board of Directors Meeting

October 1, 2018

**ACTIONS TAKEN**

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1. The Board approved the minutes of the September 4, 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 authorized the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2018 maintenance and operations tax of \$0.14864 per \$100 of valuation to be held at the District's next regular meeting.
  4. The Board authorized EDP to replace the lift pump no. 1 at lift station no. 2.
  5. The Board authorized Director Garner to act on behalf of the Board to approve a quote to replace and relocate the probes to outside fixtures in each of the hydropneumatics tanks at the Water Plant.
  6. The Board approved the Operations and Maintenance Report presented by EDP.
  7. The Board authorized Eby to advertise for bids for the lift station rehabilitation project.
  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.
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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 October 1, 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, except Director Geaslen and Director Rhodes, therefore constituting a quorum.

Also present were Lieutenant Garza, Sergeant Gonzalez and 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 of Environmental Development Partners, L.L.C. ("EDP"); Rashelle Arterburn of Utility Tax Service, L.L.C. ("UTS"); Loren Morales of RBC Capital Markets, LLC ("RBC"); Becky Burns of Transwestern; and Kara Richardson of Marks Richardson PC ("MRPC").

The Secretary called the meeting to order in the absence of the President and Vice President.

#### **APPROVAL OF MINUTES**

The Board first considered approval of the minutes of the Board of Directors meeting held on September 4, 2018. After discussion, Director Theriot made a motion to approve the minutes of the September 4, 2018, Board of Directors meeting, as written. Director Campbell seconded the motion, which carried unanimously.

#### **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 A**), 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 one (1) motor vehicle was burglarized at the Springhill Suites. Director Theriot asked Deputy Singh if the Constable can be at the park at 5:30 p.m. on October 2, 2018 to assist in clearing the parking lot for the National Night Out and Water Conservation Meeting event. She also stated that the Constable will be sending a K-9 unit and high-water rescue vehicle for the event and that Commissioner Cagle is scheduled to attend. Director Theriot next advised that the E-Waste event by Residential Recycling and Refuse of Texas, Inc. ("RRRT") will be held on Saturday, October 6, 2018, in the parking lot of Springhill Suites.

Lieutenant Garza, Sergeant Gonzalez and Deputy Singh exited the meeting.

Director Theriot reminded the Board that the E-Waste event by RRRT will be held on Saturday, October 6, 2018 from 9 a.m. to 12 p.m. She advised that she printed and distributed flyers throughout the neighborhood promoting the event.

### **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. Thiry reported that all of the storm inlet covers have been installed.

Director Theriot reported that Director Rhodes and herself attended an event on flooding hosted by the Chamber of Commerce. She stated that Commissioner Cagle was in attendance as well. Director Theriot reported that Harris County has stated that cleaning Cypress Creek is a priority and that buyouts will start soon for those who have flooded multiple times. She stated that the Harris County Flood Control, Bond Program will be updating its website in order to give progress updates on the projects.

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

The Board next considered the Tax Assessor-Collector Report. Ms. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit B**) dated September 30, 2018. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. Ms. Arterburn stated that \$296,000,000 still remains uncertified. After discussion of the report, Director Theriot 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.

### **2018 TAX RATE RECOMMENDATION**

The Board next received the Financial Advisor's recommendation concerning the establishment of the District's 2018 tax rate. Mr. Morales distributed and reviewed financial schedules (**Exhibit C**), and recommended that the District levy a 2018 maintenance and operations tax 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 2018 maintenance and operations tax of \$0.14864 per \$100 of valuation to be held at the District's next regular meeting. 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 NTS repaired conduit, installed a new ultrasonic flow meter, repaired the chlorinator and repaired controls, solenoids and hoses on the waste pump at the WWTP. He stated that NTS also installed new starters and overloads at lift station no. 3.

Mr. Thiry stated that NTS should complete repairs on the air lift pumps and diffuser supports in digester 1 at the WWTP by the end of the week.

Mr. Thiry stated that EDP is coordinating with Eby to devise a plan regarding the replacement of the automatic transfer switch at the WWTP.

Mr. Thiry reported that lift pump no. 1 at lift station no. 2 needs to be replaced. He stated that EDP can replace the lift pump for approximately \$12,000. After discussion, Director Theriot made a motion to approve the replacement of lift pump no. 1 at lift station no. 2 at a cost of \$12,000. Director Garner seconded the motion, which unanimously carried.

Mr. Thiry reported that GM Services conducted the semi-annual testing of water well no. 2 on August 1, 2018, and that no problems were found. He stated that the well will be tested again in six (6) months.

Mr. Thiry reported that the air compressor probes in each of the two hydropneumatics tanks at the Water Plant need to be replaced. He stated that NTS can replace and relocate the probes to outside fixtures for approximately \$5,650.00. Director Theriot asked whether the cost is competitive. Mr. Thiry stated that he will obtain an additional cost estimate and if the estimate is lower he will contact Director Garner to approve same. After discussion, the Board authorized Director Garner to act on behalf of the Board to approve a cost estimate to replace and relocate the probes to outside fixtures in each of the two hydropneumatics tanks at the Water Plant, if the cost is lower than \$5,650.00 from NTS.

The Board next considered the status of a mass messaging system for the District with Slick Text. Mr. Thiry presented and reviewed a proposed notice to be included in upcoming water bills advising residents how to sign up for the new system. Director Theriot stated that she will add information to the District's website about the new program and also include information in the HOA newsletter. Mr. Thiry stated that he will bring flyers about the new system to the Water Conservation Meeting.

Mr. Thiry reported that EDP sent an invoice to Harris County Municipal Utility District No. 468 ("HCMUD 468") for water purchased through the emergency interconnect between the District and HCMUD 468.

Mr. Thiry reminded the Board that EDP replaced sixty (60) fluorescent light bulbs and six (6) ballasts at the Water Plant last month. He stated that the contractor reduced the costs by \$568 and that the amount is reflected as a credit on this month's bill from EDP.

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

## **DISASTER RECOVERY EFFORTS**

The Board next deferred a discussion regarding disaster recovery efforts as same will be addressed under the engineer's report.

## **ENGINEERING REPORT**

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

Mr. Eby reported on the status of the lift station rehabilitation project. Mr. Eby stated that CenterPoint is currently working at the site laying conduit. Mr. Eby next recommended that the Board authorize Eby to advertise for bids for the project. He stated that the project will take approximately six (6) months to complete. Mr. Eby stated that he will request the contractors to hold their pricing for sixty (60) days. He then stated that he anticipates work commencing at the beginning of January. After discussion, Director Theriot made a motion to authorize Eby to advertise for bids for the lift station rehabilitation project. Director Campbell seconded the motion, which unanimously carried.

Mr. Eby next reported on the electrical improvements at the WWTP. He stated that the design plans are currently being reviewed by the Harris County fire code division and 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 stated that Brian Gardens Landscape secured the slide at the park to prevent usage until it is repaired.

Mr. Eby stated that Main Branch Tree Service removed a dead tree and cleaned up debris from the hike and bike trail along Cypress Creek at Cypresswood Drive and Jones Road.

Mr. Eby stated that the DVR has gone out at the park and will need to be replaced. He reviewed a proposal from Advantage Security Integration for replacement of the DVR at a cost of \$1,812.11 and advised that Directors Geaslen and Campbell authorized the replacement of the DVR prior to today's meeting.

Mr. Eby reported that Harris County has commenced work on the hike and bike trail along Cypress Creek from Jones Road to Cypresswood Drive.

After discussion, Director Theriot 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 F**), 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.

## **ADOPT AMENDED OPERATING BUDGET**

The Board next deferred consideration of the adoption of an amended operating budget for the fiscal year ending September 30, 2019. Director Theriot asked Ms. Redden to send a copy of the operating budget to the Board.

## **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 she does not have anything new to report and is still awaiting a response from HCFCF.

## **WATER CONSERVATION MEETING**

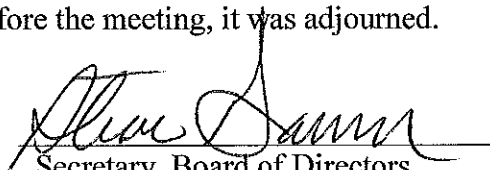
Director Theriot next discussed the logistics of the annual Water Conservation Meeting which will take place in conjunction with National Night Out on October 2, 2018. She advised that a table will be set-up for water education and E-Waste flyers will be distributed.

## **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**

October 1, 2018

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