

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

Minutes of Board of Directors Meeting

March 4, 2019

**ACTIONS TAKEN**

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1. The Board approved the minutes of the February 4, 2019 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 EDP to waive 50% of the late fee for the months of October and December for Cypress Creek YMCA, to be applied as a credit on a future bill.
  4. The Board authorized Eby to: 1) move forward with design plans to raise the Chasewood Lift Station control panel two (2) feet above the flood level from Hurricane Harvey, 2) obtain additional quotes for the project, and 3) re-approach FEMA for reimbursement of same.
  5. The Board authorized Eby to prepare the bid package for the improvements at the WWTP.
  6. The Board approved the Operations and Maintenance Report presented by EDP.
  7. The Board approved a proposal from Brian Gardens Landscape in the amount of \$2,007.86 for installation of mulch, and a proposal in the amount of \$3,072.00 for installation of kiddie cushion and fall zone repair at the park.
  8. The Board approved the Engineering Report presented by Eby Engineers, Inc.
  9. The Board adopted the Resolution Regarding Review of Drought Contingency Plant.
  10. The Board adopted the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.
  11. The Board approved a rate increase from Brian Gardens Landscape for landscape maintenance.
  12. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
  13. The Board authorized the Bookkeeper and Tax Assessor Collector to prepare and file 2018 Unclaimed Property Reports prior to the July 1, 2019, deadline.
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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 March 4, 2019, 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 Rodríguez 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, Jeff Cotton and Mary Domask of Environmental Development Partners, L.L.C. ("EDP"); Mike Arterburn and Rashelle Arterburn of Utility Tax Service, L.L.C. ("UTS"); and Kara Richardson of Marks Richardson PC ("MRPC").

The President called the meeting to order.

#### **APPROVAL OF MINUTES**

The Board first considered approval of the minutes of the Board of Directors meeting held on February 4, 2019. After discussion, Director Garner made a motion to approve the minutes of the February 4, 2019, 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, a copy of which is attached hereto as (**Exhibit A**), and the status of security monitoring services within the District. Deputy Rodriguez reviewed the report and discussed the activity within the District over the past month. Director Campbell stated that she often encounters a suspicious male on the hike and bike trail, and that she is curious to know if the constable are aware of him.. Deputy Rodriguez stated that the HCCO has identified the male. He stated that the male lives in the District with his parents and that HCCO is keeping an eye on him.

Director Rhodes next reported that he did not have issues with the security monitoring services this past month.

#### **DEVELOPERS' REPORTS**

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

## **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 December 31, 2019. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. 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 Rhodes seconded the motion, which carried unanimously.

Ms. Richardson next presented the attached list of delinquent accounts, dated March 4, 2019, as prepared by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (**Exhibit C**).

## **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit D**). Mr. Thiry introduced Ms. Mary Domask to the Board and stated that she works in compliance for EDP and has been responsible for facilitating the post-Harvey Federal Emergency Management Agency ("FEMA") reimbursements.

Mr. Thiry reported that NTS installed the automatic transfer switch at the Wastewater Treatment Plant.

Mr. Thiry reported that EDP drained and inspected ground storage tank no. 2. He also noted that EDP is scheduling to disinfect the tank and place it back in service.

Mr. Thiry reported that the annual fire hydrant survey is scheduled for the week of April 1, 2019. He stated that EDP will include a notice in customer water bills advising of the survey and that they will also send a text notification..

Mr. Thiry reported that the semiannual testing of Water Well No. 2 was completed on February 11, 2019 and that no problems were found.

Mr. Thiry next reviewed correspondence from the Cypress Creek YMCA ("YMCA") requesting a waiver of the late fees assessed on the water bills from October and December. The Board discussed deducting the late fees owed by the YMCA against the current \$1,200 deposit due back to the YMCA for past engineering work. After discussion, Director Rhodes made a motion to authorize EDP to waive 50% of the late fee for the month of October and December, respectively, to be applied as a credit on a future bill. Director Campbell seconded the motion, which unanimously carried. Mr. Thiry stated that he will deliver the deposit refund to the YMCA.

Mr. Thiry stated that he reached out to Mr. Ed Jones of HP to ask if the District can install instructional stickers on the storm drains owned by HP advising people not to dump debris down the inlets. He stated that Mr. Jones gave the District permission to install the stickers.

The Board next discussed the status of the reimbursement applications to FEMA related to Hurricane Harvey damages and mitigation. Ms. Domask presented and reviewed a spreadsheet (**Exhibit E**) summarizing the various repair projects presented to FEMA for approval and the status of each project. She stated that FEMA has already paid the District \$38,236 for certain emergency repairs that have been completed and that insurance has paid the District \$350,000.

Director Geaslen asked about the likelihood of FEMA approving the District's claims and the projected time frame in which the District should expect to receive a response from FEMA regarding its various claims. Ms. Domask stated that FEMA will typically cover the costs to repair facilities and the costs of mitigation projects, as long as the mitigation projects fall within the parameters of FEMA's mitigation appendix. Ms. Domask stated that FEMA encourages districts not to pursue mitigation measures on a reimbursement basis until FEMA approval is received but she stated that there is little risk that FEMA will reject the claim if the proposed mitigation project falls within FEMA's mitigation appendix. She stated that districts are typically receiving responses from FEMA around 6-9 months after project application submittal.

Mr. Thiry reported that the Chasewood lift station sustained approximately \$12,000 in damage by flood waters during Hurricane Harvey. He stated that complete mitigation of the control panel to raise it one foot above the Harvey flood level is estimated to cost \$17,300 and that complete mitigation to raise it two feet above the Harvey flood level is estimated to cost \$20,000. He stated that FEMA will not cover either of these mitigation costs because the costs of mitigation exceed the cost to repair the facility and they fall outside of the FEMA mitigation appendix. He noted that the District could solicit proposals from other vendors to see if other vendors might offer a less expensive estimate and then resubmit to FEMA. After discussion, the Board concurred to seek additional proposals to raise the control panel two feet (2') above the flood level from Hurricane Harvey.

The Board next discussed FEMA reimbursement for the WWTP projects. Ms. Domask stated that she believes that FEMA is close to approving reimbursement for all the projects related to the WWTP. The Board then discussed the bid process and the technical requirements for same. Mr. Thiry stated that all work has to be completed by August 2021 so there is no hurry on any project at this time. He stated that the WWTP project will take approximately one (1) year to construct. The Board discussed advertising bids for the project around September or October. Mr. Eby stated that design plans could be ready in approximately two (2) or three (3) months for the project. After discussion, Director Rhodes made a motion to authorize Eby to move forward with the preparation of design plans and bid package for the WWTP project. Director Theriot seconded said motion, which unanimously carried.

The Board next discussed FEMA reimbursement for the Water Plant No. 1. Mr. Thiry stated that the Water Plant No. 1 building had approximately one and a half feet (1.5') of flood water inside from Hurricane Harvey. He stated that the equipment at the bottom of the motor control center got wet and EDP anticipated raising the control center by a couple of feet but would prefer to replace the whole control panel. Mr. Thiry stated that FEMA does not understand why the District cannot just replace the damaged parts of the control center. The Board requested that Eby discuss the issue further with FEMA.

Director Theriot next asked about the Slick Text messaging and whether EDP has coordinated with MRPC regarding form messages. She also asked whether others have been trained on sending the messages in case of an after-hours emergency. Mr. Thiry stated that EDP will coordinate with MRPC regarding form messages and that EDP does not currently have an after-hours plan in place but will coordinate with MRPC regarding same. The Board requested that an item be added to the agenda for the next meeting to discuss same.

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 on the status of the lift station rehabilitation project. He stated that Eby is currently reviewing submittals and that the work should commence soon.

Mr. Eby next reported on the electrical improvements at the WWTP. He stated that the Texas Commission on Environmental Quality ("TCEQ") approved the design plans on February 6, 2019. He stated that 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 submitted a proposal in the amount of \$3,984.00 for a new pilot pulse card and that Director Campbell approved the proposal during the month in order to repair the flare.

Mr. Eby reviewed an invoice received from Brian Gardens in the amount of \$2,007.86 for the installation of mulch in the planting beds and tree wells at the park. After discussion, Director Theriot made a motion to approve the proposal in the amount of \$2,007.86. Director Campbell seconded the motion, which unanimously carried. The Board requested that Brian Gardens hold off until spring to install the mulch.

Mr. Eby reviewed an invoice from Brian Gardens in the amount of \$3,072.00 for the installation of kiddie cushion and fall zone repair at the park. After discussion, Director Theriot made a motion to approve the proposal in the amount of \$3,072.00 for installation of kiddie cushion and fall zone repair. Director Campbell seconded the motion, which unanimously carried.

Mr. Eby reported that the chain on the swing set at the park is broken and that Eby is obtaining an estimate for the replacement of same. Director Campbell noted that all of the chains on the swings are uneven. The Board agreed that all of the swing chains should be replaced due to their age. Mr. Eby stated that he will coordinate with Director Campbell once he receives an estimate for same.

Mr. Eby reported that he is coordinating with SignQuick for the installation of signage on the trail and for the sign on Cypresswood Drive that was damaged.

Director Rhodes stated that the park closure signage should be replaced because it is old and faded.

Director Theriot stated that Mr. Jim Robertson of the Cypress Creek Greenway Project contacted her regarding removing part of the fence along the trail because he is concerned that the fence may eventually fail from erosion. The Board agreed to keep the fence in place since removing it might create a safety issue.

Mr. Eby reported that Harris County completed work on the trail on February 18, 2019. He stated that the District paid \$18,000 towards the repairs and has not been invoiced for any additional amounts.

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

#### **REVIEW OF DROUGHT CONTINGENCY PLAN**

The Board next considered the adoption of a Resolution Regarding Review of Drought Contingency Plan ("Plan"). Ms. Richardson advised that the TCEQ requires that the Plan be reviewed on a set five year schedule with the next review deadline being May 1, 2019. She advised that no changes were necessary at this time. After discussion on the matter, Director Campbell moved to adopt the Resolution Regarding Review of Drought Contingency Plan (**Exhibit G**) and to authorize MRPC to file same with the necessary reporting agencies. Director Rhodes seconded said motion, which unanimously carried.

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

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects and consideration of authorizing a survey of wages. Ms. Richardson presented a spreadsheet reflecting Prevailing Wage Rates for Construction Projects for the Harris County Department of Labor (**Exhibit H**) and reviewed the Resolution with the Board. After discussion, Director Theriot 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 Rhodes seconded the motion, which carried unanimously.

#### **APPROVE RATE INCREASE FROM BRIAN GARDENS LANDSCAPE**

The Board next considered the approval of a rate increase from Brian Gardens Landscape. Ms. Richardson reviewed a summary handout of the rate increases for the hike and bike trail, the park site and the District's facilities (**Exhibit I**) for a total annual contract price of \$61,912.66. After discussion, Director Rhodes made a motion to approve the rate increase from Brian Gardens Landscape, as set out above. Director Theriot seconded the motion, which unanimously carried.

## **STATUS OF CYPRESS CREEK FLOOD CONTROL COALITION**

The Board next considered the status of the Cypress Creek Flood Control Coalition. Director Theriot stated that there will be a community meeting on March 27, 2019 to discuss the proposed tunnel system.

## **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit J**), 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.

## **UNCLAIMED PROPERTY REPORT**

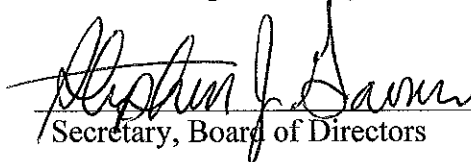
The Board next considered authorizing the bookkeeper and tax assessor to prepare a 2018 Unclaimed Property Report and the filing of same with the State Comptroller prior to the July 1, 2019 deadline. After discussion, Director Rhodes made a motion to authorize the District's consultants to research the District's accounts to determine the necessity of preparing an Unclaimed Property Report, and, if such report is necessary, authorize the District's Bookkeeper to file same with the State Comptroller prior to July 1, 2019. Director Theriot seconded the motion, which carried unanimously.

## **ITEMS FOR FUTURE AGENDAS**

The Board next considered matters for possible placement on future agendas. Director Theriot stated that there is a homeowners association meeting on April 17, 2019, at 7:00 p.m. if anyone from the Board is interested in speaking at the meeting. Director Geaslen stated that he will speak at the meeting.

## **ADJOURNMENT OF BOARD MEETING**

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

  
Secretary, Board of Directors

**LIST OF EXHIBITS**

March 4, 2019

- Exhibit A. Patrol Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Delinquent Tax Report
- Exhibit D Operations and Maintenance Report
- Exhibit E FEMA Summary handout
- Exhibit F Engineering Report
- Exhibit G Resolution Regarding Review of Drought Contingency Plan
- Exhibit H Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit I Brian Gardens Landscape Rate Increase
- Exhibit J Bookkeeping Report