

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

Minutes of Board of Directors Meeting

March 7, 2022

**ACTIONS TAKEN**

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1. The Board approved the minutes of the February 7, 2022, meeting.
2. The Board approved the Order Declaring Candidates Elected declaring Directors Garner and Theriot re-elected for an additional term expiring in May 2026.
3. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
4. The Board approved and adopted a Resolution Concerning Exemptions from Taxation granting a \$300,000 exemption from ad valorem taxation on residential homesteads for persons under a disability or sixty-five years of age or older and a 20% general residential homestead exemption for the year 2022.
5. The Board authorized EDP to repair the District/Malcomson Road Utility District interconnect meter for \$2,750.
6. The Board approved the Operations and Maintenance Report presented by EDP.
7. The Board approved two (2) proposals in the amounts of \$2,688.29 and \$7,590.81 from Playground Solutions of Texas for repairs to the playground equipment.
8. The Board approved a proposal from Advantage Security Integration in the amount of \$835.69 for installation of a license plate recognition camera and the relocation of the existing camera at the skate park.
9. The Board approved the Engineering Report presented by Eby Engineers, Inc.
10. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
11. The Board authorized the Bookkeeper and Tax Assessor Collector to prepare and file 2021 Unclaimed Property Reports prior to the July 1, 2022, deadline.
12. The Board approved the renewal proposal from Arthur J. Gallagher relative to insurance coverage for the term expiring March 31, 2022.

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 7, 2022, in accordance with the duly posted notice of meeting, and the roll was called of the 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 Kelly Trebing of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Eric Thiry of Environmental Development Partners, L.L.C. ("EDP"); Roshell Arterburn of Utility Tax Service, L.L.C. ("UTS"); Sergeant Westmoreland of Harris County Constable's Office Precinct Four ("HCCO"); and Blake Ellis of Marks Richardson PC ("MRPC").

The President called the meeting to order.

**APPROVAL OF MINUTES**

As the first order of business, the Board considered approval of the minutes of the Board of Directors meeting held on February 7, 2022. After discussion, Director Theriot made a motion to approve the minutes of the February 7, 2022, Board of Directors meeting, as presented. Director Rhodes seconded the motion, which carried unanimously.

**SUPPLEMENTAL AGENDA - CANCEL DIRECTOR ELECTION**

The Board next considered the adoption of an Order Declaring Candidates Elected and the cancellation of the May 7, 2022, Director Election. Mr. Ellis advised that in accordance with Subchapter C, Chapter 2 of the Election Code and Section 2.052 of the Election Code, after 5:00 p.m. on February 25, 2022, the District may cancel the election if each candidate whose name appears on the ballot and/or has registered as a write-in candidate is unopposed in such election, and the Board of Directors of the District can declare such unopposed candidates to be re-elected for an additional term. Mr. Ellis presented a certificate declaring all candidates unopposed and the Order Declaring Candidates Elected. After discussion, Director Rhodes made a motion to adopt the Order declaring Directors Garner and Theriot re-elected for an additional term expiring in May 2026 and to authorize the President to execute and the Secretary to attest same on behalf of the Board and the District. Director Campbell seconded the motion, which carried unanimously.

**COMMENTS FROM THE PUBLIC**

The Board deferred comments from the public, as no members of the public were present.

**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 February 28, 2022. 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 Campbell seconded the motion, which carried unanimously.

Sergeant Westmoreland entered the meeting at this time.

Mr. Ellis next presented the attached list of delinquent accounts, dated March 7, 2022, as prepared by the District’s delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (**Exhibit B**).

**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. Sergeant Westmoreland reviewed the report and discussed the activity within the past month. He stated that there was one (1) burglary of a vehicle within the past month.

The Board next considered the status of security monitoring services. Director Rhodes stated that he had nothing new to report.

**RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION**

The Board next considered granting exemptions from taxation for 2022. Mr. Ellis outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Sections 11.13 and 11.184 of the Property Tax Code. After discussion, Director Rhodes made a motion 1) to grant a \$300,000 exemption from ad valorem taxation on residential homesteads for persons under a disability or sixty-five years of age or older for the year 2022, 2) to grant a 20% residential homestead exemption for the year 2022, and 3) to approve and adopt the Resolution relative to the granted exemptions (**Exhibit D**). Director Campbell seconded the motion, which carried unanimously.

**STATUS OF INSURANCE AND FEMA CLAIMS RELATIVE TO HURRICANE HARVEY DAMAGES**

The Board next considered the status of insurance and Federal Emergency Management Agency (“FEMA”) claims relative to Hurricane Harvey damages. Mr. Thiry reported that he and Director Geaslen met with representatives from FEMA and the Texas Division of Emergency Management (“TDEM”) to review the status of claims relative to Hurricane Harvey damages. He stated that EDP sent an additional request to the District’s insurance company for the Water Plant No. 1 damages and expenses. Mr. Thiry stated that he anticipates that EDP will be ready to send the final documentation relative to the WWTP damages this week. Director Geaslen requested

that EDP schedule another teleconference meeting with FEMA and TDEM in two (2) weeks to discuss the status of the claim.

### **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit E**). Mr. Thiry reviewed the significant utility repairs within the past month.

Mr. Thiry reported that Neil Technical Services (“NTS”) repaired the step screen at the WWTP.

Mr. Thiry reported that EDP performed the semi-annual preventative maintenance on equipment at the WWTP.

Mr. Thiry reported that GM Services completed the semi-annual testing of Water Well No. 2 on February 23, 2022. He reviewed the report which indicated no significant issues found.

Mr. Eby requested that the same testing be performed on Water Well No. 1.

Mr. Thiry reported that the annual hydrant testing is scheduled for the week of March 21, 2022. He then reviewed the Notice of Water System Flushing sent to residents.

Mr. Thiry next requested authorization to repair the District/Malcolmson Road Utility District (“MRUD”) interconnect meter at a cost of \$2,750. He stated that recent testing of the meter found it to be in need of repairs. After discussion, Director Theriot made a motion to authorize EDP to repair the District/MRUD interconnect meter at a cost of \$2,750. Director Rhodes seconded the motion, which unanimously carried.

Mr. Thiry reported that EDP witnessed all six (6) generators running under load in February.

Director Garner entered the meeting at this time.

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

### **ENGINEERING REPORT**

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

The Board next discussed the Chasewood Park mitigation project. Mr. Eby stated that the project is nearing completion.

Mr. Eby reviewed t the Water Plant No. 1 monthly checklists for the months of January and February from Patriot Production & Rental Services, LLC along with the related invoices and recommended payment of same.

Mr. Eby next presented two (2) proposals from Playground Solutions of Texas in the amounts of \$2,688.29 and \$7,590.81 for repairs to the playground equipment. After discussion, Director Rhodes made a motion to approve the proposals in the amounts of \$2,688.29 and \$7,590.81 from Playground Solutions of Texas for repairs to the playground equipment. Director Theriot seconded the motion, which unanimously carried.

Mr. Eby next presented a proposal from Advantage Security Integration in the amount of \$835.69 to install a license plate recognition camera and to relocate the existing camera at the skate park. After discussion, Director Rhodes made a motion to approve a proposal from Advantage Security Integration in the amount of \$835.69 for the installation of a license plate recognition camera and the relocation of the existing camera at the skate park. Director Garner seconded the motion, which unanimously carried.

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

#### **PREVAILING WAGE RATE SCALE**

The Board next deferred consideration of a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects until next month's meeting.

#### **BOOKKEEPING REPORT**

The Board next considered the Bookkeeper's Report. Ms. Trebing reviewed the Bookkeeping Report (**Exhibit G**), including the checks presented for payment. She stated that various checks, including the check issued for payment to MRPC, did not make it on the report and will be reflected on next month's report. After discussion, Director Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Rhodes seconded the motion, which carried unanimously.

#### **UNCLAIMED PROPERTY REPORT**

The Board next considered authorizing the bookkeeper and tax assessor to prepare a 2021 Unclaimed Property Report and the filing of same with the State Comptroller prior to the July 1, 2022 deadline. After discussion, Director Theriot 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, 2022. Director Garner seconded the motion, which carried unanimously.

**CONSIDER PROPOSAL RELATIVE TO RENEWAL OF THE DISTRICT'S INSURANCE COVERAGE**

The Board next considered the renewal of the District's insurance coverage for term expiring March 31, 2022. Mr. Ellis distributed the renewal proposals (**Exhibit H**) received from Gallagher relative to property, comprehensive boiler and machinery, commercial general liability and hired car and non-ownership automobile liability, pollution liability, directors and officers liability, umbrella, public employee blanket crime, directors position schedule bond, tax assessor/collector bond, worker's compensation, business travel and flood coverage scheduled to expire on March 31, 2023. After discussion, Director Rhodes made a motion to approve the renewal proposals from AIG for the coverage's set out above, and to authorize the President to execute same on behalf of the Board and District. Director Theriot seconded the motion, which carried unanimously.

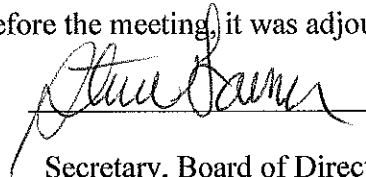
Director Geaslen stated that he would like to solicit proposals from other insurance companies for next year.

**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**

March 7, 2022

- Exhibit A Tax Assessor-Collector's Report
- Exhibit B Delinquent Tax Report
- Exhibit C Patrol Report
- Exhibit D Resolution Concerning Exemptions from Taxation
- Exhibit E Operations and Maintenance Report
- Exhibit F Engineering Report and Supplemental Report
- Exhibit G Bookkeeping Report
- Exhibit H Insurance Proposals from Gallagher