

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting

July 5, 2022

ACTIONS TAKEN

1. The Board approved the minutes of the June 6, 2022, 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 Operations and Maintenance Report presented by EDP.
4. The Board approved implementing Stage 1 of the Drought Contingency Plan.
5. The Board authorized Eby to advertise for bids for clarifier repairs at the WWTP project once design plans have been completed.
6. The Board approved the Engineering Report presented by Eby Engineers, Inc.
7. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.

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 July 5, 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 Claudia Redden of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Jeff Cotten and Tommy Merck of Environmental Development Partners, L.L.C. ("EDP"); Roshell Arterburn of Utility Tax Service, L.L.C. ("UTS"); Kevin Atkinson of Texas Pride Disposal ("Texas Pride"); Deputy Paonessa 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 June 6, 2022. After discussion, Director Rhodes made a motion to approve the minutes of the June 6, 2022, Board of Directors meeting, as presented. Director Theriot 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 June 30, 2022. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Campbell made a motion to approve the Tax Assessor-Collector Report as presented and to approve the checks identified in the report for payment. Director Theriot seconded the motion, which carried unanimously.

DISCUSS STATUS OF SOLID WASTE COLLECTION AND RECYCLING SERVICES FROM TEXAS PRIDE

The Board next considered a discussion regarding the status of solid waste collection and recycling services from Texas Pride. Mr. Atkinson stated that he believes Texas Pride has made

recent progress with its garbage collection and recycling services. He stated that there was an issue with recycling last week which was due to a mechanical problem. He stated that garbage collection services have been consistent since Texas Pride implemented a revised collection route. Mr. Atkinson briefly discussed the possibility of switching collection days to Monday and Thursday because of the total customers Texas Pride has scheduled on Tuesday and Friday. He stated that supply chain and staffing are getting better, and Texas Pride has analyzed route data to improve efficiency. Mr. Atkinson stated that Texas Pride has changed its pay structure to incentivize productivity. Director Theriot asked about improving communications and requested that she be advised of any issues so that she can alert residents. Mr. Atkinson stated that Texas Pride has a notification system, and he obtained contact information from Directors Theriot, Rhodes, Garner and Campbell to enroll them in the notification system, noting that Director Geaslen was already enrolled. Director Theriot then requested that Mr. Atkinson provide her with language regarding the notification system, so that she could publish it on the District's website and add it to the neighborhood newsletter to inform residents. Mr. Atkinson thanked the Board for its patience over the past few months.

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 B**), and the status of security monitoring services within the District. Deputy Paonessa stated that he is new to the District's contract. He then reviewed the report and discussed the activity within the past month.

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. Merck stated that FEMA submitted a couple more questions to EDP today regarding the WWTP damages. He stated that he will forward the email correspondence to Director Geaslen for his information. Director Geaslen then discussed email correspondence received from the insurance company wherein the insurance company acknowledged approximately \$70,000 in additional coverage for flood damaged equipment at the Water Plant. He stated that once EDP receives final word from the insurance company, EDP can file closing documents with FEMA for the Water Plant.

OPERATIONS REPORT

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

Mr. Cotten next reported on the Water Plant No. 1 booster pump. He reminded the Board that it authorized EDP to approve replacement of the pump if the second quote did not exceed \$23,000, and, if the quote exceeded such amount, it authorized EDP to approve the repairs at a cost of \$7,324. Mr. Cotten stated that EDP is still awaiting receipt of a replacement quote from the manufacturer to determine which way to proceed. He stated that the lead time on a replacement

pump may be four (4) to five (5) months but noted that such wait should not pose any problems for the District.

Mr. Cotten next reported that the conversion of all six (6) facility phone lines to the AT&T First Net cellular service is in progress.

Mr. Cotten next reported on drought contingency measures for the District. He stated that since the North Harris County Regional Water Authority (“NHCRWA”) implemented Stage I of its Drought Contingency Plan, EDP installed signs for voluntary water restrictions in the commercial areas of the District. The Board requested that EDP also place signs in the neighborhood areas of the District. Mr. Cotten stated that Water Well No. 1 run times are within normal ranges and that EDP is running Water Well No. 2 twice per week to keep it ready should it be needed.

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

DROUGHT CONTINGENCY PLAN

The Board next discussed implementation of the District’s Drought Contingency Plan. Mr. Ellis stated that, as a member of the NHCRWA, the District is required to implement its Plan in response to any implementation of the NHCRWA’s Drought Contingency Plan and, that, if the District fails to do so, the NHCRWA could impose monetary fines upon the District and/or withhold the provision of surface water to the District. After discussion, Director Rhodes made a motion to implement Stage 1 of the District’s Contingency Plan. Director Theriot seconded the motion, which unanimously carried. The Board requested that an item be added to the agenda for next month’s meeting to consider amendments to the Drought Contingency Plan.

ENGINEERING REPORT

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

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

Mr. Eby reported that the permit application for the WWTP Discharge Permit renewal was forwarded to the Texas Commission on Environmental Quality on June 27, 2022.

Mr. Eby next reported that he did not receive the monthly checklist and related invoice from Patriot Production & Rental Services, LLC for June.

Mr. Eby next presented and reviewed proposals from OM Tree Service and Main Branch for the removal of trees at the park. He stated that Main Branch is more expensive because included in their quote was the cost for removing additional trees that Mr. Eby identified during a recent further inspection. Director Geaslen requested that Eby obtain an updated proposal from

OM Tree Service for the same services. Mr. Eby stated that the District has previously used Main Branch and, because Main Branch performed the inspection with Mr. Eby, they know the specific work needing to be completion. He stated that OM Tree Service will likely be as high or higher than the proposal from Main Branch once the additional work is factored into their quote. The Board discussed marking the trees that need to be removed in order to track the progress. Mr. Eby stated that, due to the large number of trees, the same would not be practicable. The Board deferred action on the matter and requested that Eby obtain a more detailed quote from Main Branch for review at next month's meeting because the quote received did not itemize the costs on which the quote was based.

Mr. Eby next reported on the clarifier repairs at the WWTP. He stated that the design plans for the project are approximately 90% complete. Mr. Eby stated that the project will involve repairing concrete on the driveway, roof repair, sand blasting and painting metal in the digester, aeration basin and clarifier, recoating piping and repairs to hatches on the lift station. The Board discussed authorizing Eby to advertise for bids for the project once design plans are complete. After discussion, Director Garner made a motion to authorize Eby to advertise for bids for the clarifier repairs at the WWTP project once design plans are complete. Director Rhodes seconded the motion, which unanimously carried.

After discussion, Director Rhodes 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 E**), including the checks presented for payment. Director Geaslen asked about buying T-bills as future investments once certain Certificates of Deposit expire at the end of the month in order to take advantage of the rates. After discussion, Director Garner made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Theriot seconded the motion, which carried unanimously.

DISCUSSION REGARDING MICROGRIDS

The Board next considered a discussion regarding Microgrids. Director Geaslen discussed Microgrids and stated that he learned about Microgrids at the Association of Water Board Directors summer conference. He then asked the Board whether it would like to be one of the first districts to volunteer for same, if that is a possibility. He stated that Microgrids could power the District during a power outage and can also supplement the grid during power shortages and disruptions. The Board questioned how supply of natural gas is received to power the Microgrid. Director Geaslen asked Mr. Eby to contact CenterPoint Energy to begin discussions on the matter.


Mr. Eby stated that he attended the Copper and Lead Monitoring session at the Association of Water Board Directors ("AWBD") summer conference and reported that there are new rules from the Environmental Protection Agency that must be complied with by late 2024. He stated that the rules are not yet clear, but the work could be extensive, including inventory of all locations receiving District services.

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

July 5, 2022

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