

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting
September 6, 2022

ACTIONS TAKEN

1. The Board approved the minutes of the August 1, 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 authorized the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2022 maintenance and operations tax of \$0.1138 per \$100 of valuation to be held at the District's next regular meeting.
4. The Board authorized EDP to exercise all secondary valves at a cost of \$6,150, subject to EDP confirming the valves have not been exercised within the past five (5) years.
5. The Board approved the Operations and Maintenance Report presented by EDP.
6. The Board approved the Engineering Report presented by Eby Engineers, Inc.
7. The Board adopted the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.
8. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment, and approved moving funds from the Certificates of Deposit as they expire to Treasury Bills for a one (1) year term, upon confirmation by MRPC.
9. The Board approved the proposed Operating Budget for the fiscal year ending in 2022 as presented by Claudia Redden & Associates, L.L.C.

The Board of Harris County Municipal Utility District No. 286 ("District") met in regular session at 13850 Cutten Road, Houston, Harris County, Texas 77069 on September 6, 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, except Directors Geaslen and Garner, therefore constituting a quorum.

Also present were 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"); Roshell Arterburn of Utility Tax Service, L.L.C. ("UTS"); Loren Morales of RBC Capital Markets ("RBC"); Lieutenant Curry and Sergeant Westmoreland of Harris County Constable's Office Precinct Four ("HCCO"); and David Marks of Marks Richardson PC ("MRPC").

The Vice 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 August 1, 2022. After discussion, Director Theriot made a motion to approve the minutes of the August 1, 2022, Board of Directors meeting, as presented. 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. Sergeant Westmoreland reviewed the report and discussed the activity within the past month.

COMMENTS FROM THE PUBLIC

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

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. No one present had anything new 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 August 31, 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.

Ms. Arterburn next presented the attached list of delinquent accounts, dated September 6, 2022, as prepared by the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (**Exhibit C**).

2022 TAX RATE RECOMMENDATION

The Board next received the Financial Advisor's recommendation concerning the establishment of the District's 2022 tax rate. Mr. Morales distributed and reviewed financial schedules prepared by RBC Capital Markets ("RBC") (**Exhibit D**) and advised that RBC recommends that the District levy a 2022 maintenance and operations tax of \$0.1138 per \$100 of valuation. After discussion, Director Campbell made a motion to authorize the District's Tax Assessor/Collector to publish notice of a public hearing on the adoption of a proposed 2022 maintenance and operations tax of \$0.1138 per \$100 of valuation to be held at the District's next regular meeting. Director Theriot 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 stated that EDP sent final closeout documents to FEMA relative to the WWTP. He then stated that EDP sent final closeout documents and a copy of the insurance check received at the August meeting to FEMA relative to the Water Plant. Mr. Thiry stated that he will contact FEMA regarding the status of payment to the District.

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 next reported that EDP recommends primary valve maintenance at a cost of \$6,150 to locate and exercise the valves. He stated that EDP recommends exercising the valves every five (5) years. The Board requested that EDP confirm when the valves were last exercised. The Board concurred to authorize EDP to exercise all secondary valves at a cost of \$6,150, subject to EDP confirming the valves have not been exercised in the past five (5) years.

Mr. Thiry reported that the repairs of the fire hydrants are in process.

Mr. Thiry reported that there are manholes within the District that need to be inspected. The Board requested that EDP obtain a cost estimate for same for the Board's review at next month's meeting.

Mr. Thiry next reported on drought contingency measures for the District. He stated that since the North Harris County Regional Water Authority ("NHCRWA") implemented Stage 1 of its Drought Contingency Plan ("DCP"), EDP installed signs for voluntary water restrictions in the commercial areas of the District. Mr. Thiry noted that EDP continues to monitor water usage and will notify the Board if triggers are met to initiate Stage 2 of the DCP.

The Board next considered mass communication services for the District. Director Theriot asked about available options to have an email or text blast to customers. The Board requested that MRPC obtain proposals for mass communication services from Touchstone District Services, Classic and Off Cinco.

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

DROUGHT CONTINGENCY PLAN

The Board next deferred consideration of the review and approval of amendments to the District's DCP.

ENGINEERING REPORT

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

The Board next discussed the Chasewood Park mitigation project. Mr. Eby stated that he had a walk through with the contractor, No Limit Construction, on July 25, 2022. He noted that the project is 98% complete.

Mr. Eby reported on the status of the construction contract with CFG Industries LLC for clarifier repairs at the WWTP. He stated that Notice to Proceed will be issued September 8, 2022.

Mr. Eby reported on the status of the permit application for the WWTP Discharge Permit renewal. He stated that the application was declared administratively complete and that the Notice of Receipt of Application and Intent to Obtain Permit Renewal will need to be published. Mr. Eby requested that MRPC handle publishing the required Notice in The Houston Chronicle.

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

Mr. Eby next reported that he is waiting on park tables to be received for installation at the park.

Mr. Eby reported that the construction of the Performing Arts Building at Lone Star College is underway. He also stated that he received plans from Lone Star College to separate utilities and sell off the building and his review is underway.

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

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. Mr. Marks presented a spreadsheet reflecting Prevailing Wage Rates for Construction Projects for the Harris County Department of Labor (**Exhibit G**) 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 Department of Labor rates. 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 moving the funds from the Certificates of Deposit as they expire to Treasury Bills for a one (1) year term. The Board concurred to roll the Certificates of Deposit for one (1) month to allow MRPC to confirm that moving the funds to Treasury Bills does not need to be included in the District's Investment Policy. After discussion, Director Campbell made a motion to approve the Bookkeeper's Report, including the checks presented for payment, and authorize moving funds from the Certificates of Deposit as they mature to Treasury Bills for a one (1) year term, upon confirmation by MRPC. Director Theriot seconded the motion, which carried unanimously.

ADOPT OPERATING BUDGET

The Board next considered adoption of the operating budget for the fiscal year ending September 30, 2022 (**Exhibit I**). After discussion, Director Theriot made a motion to approve the budget, as presented. Director Campbell seconded the motion, which carried unanimously.

ITEMS FOR FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. The Board noted that the next meeting will be on October 3, 2022 at Campioni Restaurant.

ADJOURNMENT OF BOARD MEETING

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

Rosalind Mendel
Asst. Secretary, Board of Directors

LIST OF EXHIBITS
September 6, 2022

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| Exhibit A | Patrol Report |
| Exhibit B | Tax Assessor-Collector's Report |
| Exhibit C | Delinquent Tax Report |
| Exhibit D | Tax Rate Recommendation |
| Exhibit E | Operator's Report |
| Exhibit F | Engineering Report |
| Exhibit G | Resolution Adopting Prevailing Wage Rate Scale for Construction Projects |
| Exhibit H | Bookkeeping Report |
| Exhibit I | Budget for Fiscal Year Ending September 1, 2023 |