

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting

October 3, 2022

ACTIONS TAKEN

1. The Board approved the minutes of the September 6, 2022, meeting.
2. The Board ratified the Board's prior action approving the Interlocal Agreement for Law Enforcement Services between the District and Harris County.
3. The Board conducted a public hearing and subsequently adopted an Order levying the 2022 tax rate.
4. The Board amended the District Information Form in connection with the adoption of the 2022 tax rate.
5. The Board confirmed the engagement of Mark C. Eyring, CPA, PLLC to prepare the District's audit report for the fiscal year ending September 30, 2022.
6. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
7. The Board authorized EDP to exercise all secondary valves opened and closed at a cost of \$6,615.
8. The Board approved the Operations and Maintenance Report presented by EDP.
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.

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 October 3, 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"); Eric Thiry and Tommy Merck 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 Kara Richardson 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 September 6, 2022. After discussion, Director Rhodes made a motion to approve the minutes of the September 6, 2022, Board of Directors meeting, as presented. Director Theriot 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. He noted that the new deputy for the District is currently undergoing training. Director Geaslen stated that he spoke with a deputy who advised that the training should be complete in approximately two (2) to three (3) weeks.

The Board next considered ratification of the Board's prior action regarding approval of an Interlocal Agreement for Law Enforcement Services Agreement between Harris County and the District. After discussion, Director Theriot made a motion to ratify the Board's prior action approving the Interlocal Agreement for Law Enforcement Services Agreement between the District and Harris County and authorizing the President to execute same on behalf of the Board and the District. Director Rhodes seconded the motion, which unanimously carried.

Director Rhodes stated that a new camcorder has been ordered for Water Well No. 2 and will be installed tomorrow.

COMMENTS FROM THE PUBLIC

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

PUBLIC HEARING

The Board next conducted a public hearing on the District's proposed 2022 maintenance tax rate. Ms. Arterburn advised that the tax rate publication had been published in accordance with state law requirements. The President announced the hearing open and invited members of the public to address the Board on the proposed 2022 maintenance tax rate. No members of the public were present and wishing to speak, so the President announced the hearing closed.

ADOPTION OF 2022 TAX

The Board next considered the adoption and levy of the District's 2022 maintenance tax rate. After discussion, Director Garner made a motion that the District levy a 2022 maintenance tax of \$0.1138 per \$100 of assessed valuation and to adopt the Order Levying Taxes (**Exhibit B**). Director Rhodes seconded the motion, which carried unanimously.

APPROVAL OF DISTRICT INFORMATION FORM

Ms. Richardson next reviewed an Amendment to the Second Amended and Restated District Information Form in connection with the 2022 tax rate. After discussion, Director Theriot made a motion to approve the Form and to authorize the Board members present to execute the Form. Director Rhodes seconded the motion, which carried unanimously.

ENGAGEMENT OF AUDITOR

The Board next considered the engagement of an auditor to prepare the District's audit report for the fiscal year ending September 30, 2022. Ms. Richardson reminded the Board that last year the District entered into a two-year engagement with Mark C. Eyring, CPA, PLLC ("Eyring") for the fiscal years ended September 30, 2021, and September 30, 2022, and therefore only needs to confirm the engagement. She presented the two-year engagement letter received from Eyring last year (**Exhibit C**) and advised that Eyring's fee for the preparation of the audit report is \$9,300 per year. After discussion, Director Rhodes made a motion to confirm the engagement of Eyring to prepare the District's audit report for the fiscal year ending September 30, 2022. 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. Director Theriot stated that solid waste collection and recycling services have improved and she has not received any complaints regarding same. The Board requested that the item be removed from the agenda.

TAX ASSESSOR-COLLECTOR REPORT

The Board next considered the Tax Assessor-Collector Report. Ms. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit D**) dated September 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 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.

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. Ms. Richardson updated the Board on the continuous requests and questions from FEMA regarding the claims. She noted that FEMA is trying to determine that sufficient cost controls were in place with respect to the District’s contracts with Eby and EDP. She stated that she is going to provide FEMA with copies of meeting minutes since Hurricane Harvey to show that the District approves all expenditures each month. She noted that she will schedule a call with FEMA if the minutes do not provide adequate assurances.

OPERATIONS REPORT

The Board next considered the Operations and Maintenance Report (**Exhibit E**). Mr. Thiry reported there were no significant utility repairs made within the past month.

Mr. Thiry reported that the semi-annual water well testing of Water Well No. 2 was completed on August 22, 2022. He reviewed the report from GM Services and stated that no problems were found. Mr. Thiry stated that the water table has dropped slightly and that EDP will have Water Well No. 1 tested soon.

Mr. Thiry next reported on valve and manhole surveys. He stated that the Board authorized EDP to exercise one hundred forty seven (147) valves for \$6,150 at last month’s meeting. He then stated that the revised quote is \$6,615 which includes operating the valves closed and opened. He noted that the valve survey was last completed in 2017. Director Geaslen stated that he would like EDP to research the ability to isolate the valves to provide water to homes and businesses from the water plant in the event of a line break rather than from a District interconnect. He stated that he would like EDP to prepare a procedure to address the matter. Mr. Thiry stated that he will prepare a map for same. After discussion, Director Rhodes made a motion to authorize EDP to exercise all secondary valves at a cost of \$6,615. Director Garner seconded the motion, which unanimously carried.

Mr. Thiry reported that EDP is obtaining a cost estimate to have the manholes within the District inspected and will present to the Board at next month’s meeting.

Mr. Thiry next reported on drought contingency measures for the District. He stated that the North Harris County Regional Water Authority (“NHCRWA”) is still in Stage 1 of its Drought Contingency Plan (“DCP”) and will remain in Stage 1 until the City of Houston rescinds Stage 1 of its DCP.

Mr. Thiry reported that EDP received correspondence from a customer requesting an adjustment to their water bill due to unusually high usage from a leaking toilet. He stated that the leak has been repaired. After discussion, Director Campbell made a motion to approve a \$600 credit to the customer and instructed EDP to explain the basis for the credit to the customer. Director Theriot seconded the motion, which unanimously carried.

The Board next considered the review of proposals for mass communication services for the District. The Board deferred action on proposals from Touchstone District Services and Off Cinco and requested that MRPC obtain an additional proposal from Classic Messaging.

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

DROUGHT CONTINGENCY PLAN

The Board next considered the review and approval of amendments to the District’s DCP. The Board requested that MRPC propose language to remove the restriction for topping off pools from the District’s DCP for review at next month’s meeting.

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 stated that the contractor still owes the District approximately \$4,500 so the District is holding retainage for same.

Mr. Eby reported on the status of the construction contract with CFG Industries LLC (“CFG”) for clarifier repairs at the WWTP. He stated that CFG started work on the repairs, and he reviewed photos of the new driveway which has been poured. Mr. Eby stated that sludge may need to be pumped out of the basin which has accumulated from rain and will likely cost approximately \$5,000 to \$10,000. He stated that CFG will start painting the metal soon. Mr. Eby stated that he will likely find out about additional repairs that are needed when the blasting starts.

Mr. Eby reported on the status of the permit application for the WWTP Discharge Permit renewal. He stated that the Notice of Receipt of Application and Intent to Obtain Permit Renewal was posted at the library and has been published. He noted that is waiting on comments to the permit from the Texas Commission on Environmental Quality.

Mr. Eby next reported that Main Branch Tree Service completed the tree trimming and stated that there were numerous dead trees from the drought. He then presented the related invoice and recommended payment of same. Director Theriot asked about the tree next to the WWTP driveway that is dead. Mr. Eby stated that he believes the tree is located on Harris County Flood Control District property and will research same.

Mr. Eby stated that he went to replace the pedestrian signs and found that the hardware on the old signs is rusted so he will need to order new hardware to complete the installation of the new signs. Director Geaslen stated that he would like a couple of the Precinct 4 signs replaced with signs that reflect Precinct 3. Mr. Eby stated that he will figure out which signage is needed and update same.

Mr. Eby reported that the construction of the Performing Arts Building at Lone Star College is underway. He also reviewed correspondence sent to Lone Star College regarding the review of plans for the proposed isolation of buildings 9 and 10.

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

BOOKKEEPING REPORT

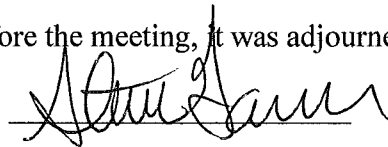
The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit G**), including the checks presented for payment. After discussion, Director Campbell made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Theriot seconded the motion, which carried unanimously.

ITEMS FOR FUTURE AGENDAS

The Board next considered matters for possible placement on future agendas. Director Garner discussed his attendance at the meeting regarding the proposed Cypress Creek Flood District.

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 3, 2022

- Exhibit A Patrol Report
- Exhibit B Order Levying Taxes
- Exhibit C Engagement Letter from Mark C. Eyring
- Exhibit D Tax Assessor-Collector's Report
- Exhibit E Operator's Report
- Exhibit F Engineering Report
- Exhibit G Bookkeeping Report