

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting

November 7, 2022

ACTIONS TAKEN

1. The Board approved the minutes of the October 3, 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 payment of Pay Application No. 1 to CFG in the amount of \$185,220 for clarifier repairs at the Wastewater Treatment Plant.
5. The Board approved a quote from CFG in the amount of \$15,000 for additional metal and piping for the Water Plant.
6. The Board approved a proposal from Classic Messaging for mass communication services at \$1,950 per year, \$65 to \$100 per hour for administrative or content writing, \$0.06 per text and \$0.06 per email
7. The Board approved the Engineering Report presented by Eby Engineers, Inc.
8. The Board approved and adopted a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District.
9. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.
10. The Board approved a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer.

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 November 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 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"); Corporal Crowley and Deputy Jones of Harris County Constable's Office Precinct Four ("HCCO"); Ashley Simper of Triton Consulting ("Triton"); 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 October 3, 2022. After discussion, Director Rhodes made a motion to approve the minutes of the October 3, 2022, Board of Directors meeting, as presented. Director Theriot seconded the motion, which carried unanimously.

COMMENTS FROM THE PUBLIC

The Board next considered comments from the public. Ms. Simper addressed the Board and stated that Triton works with special districts regarding public relations and communications.

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. Corporal Crowley reviewed the report and discussed the activity within the past month. He noted that there was a vehicle theft in Chasewood Park.

Director Rhodes stated that he had nothing new to report regarding security monitoring services.

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 October 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 Rhodes 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 recent conference call with FEMA regarding the claims. She then reviewed the Memorandum sent to FEMA on November 2, 2022, regarding cost controls relative to the District's contracts with Eby and EDP.

OPERATIONS REPORT

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

Mr. Thiry reported that EDP completed the lead and copper sampling for EPA compliance.

Mr. Thiry reported that EDP will be obtaining a cost estimate to perform a manhole survey. He then discussed what a manhole survey involves. Director Rhodes asked if the manholes can be added to the GIS system. Mr. Thiry explained that the District does not have a GIS system but that he can add the information to the maps with GPS data.

Mr. Thiry next reported on last month's request that EDP 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 and the preparation of a procedure addressing same. Mr. Thiry stated that Eby provided him with an updated map with the valves and he then discussed how he would isolate the line. He stated that he will educate the EDP staff on how to do it should a line break arise.

Director Theriot next asked about an issue regarding a pool that was reflected on the confidential report. Director Garner stated that the customer left the fill line on and the water drained to the street.

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

Deputy Jones next introduced himself to the Board and stated that he likes to be visible in the District and proactive. He then exited the meeting at this time.

DROUGHT CONTINGENCY PLAN

The Board next considered the review and approval of amendments to the District's DCP. The Board concurred that no changes be made to the District's DCP.

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 98% complete. He stated that the contractor reimbursed the District approximately \$4,500 but has not completed various punchlist items. Mr. Eby stated that there is a proposed multi-family development and the developer will likely be seeking a capacity letter soon. He stated that Lone Star sold buildings 9 & 10 to CCI and he noted that he has been working with Lone Star on the matter. Mr. Eby stated that CCI advised that Lone Star buildings have been sold to Mexcor with the possibility of putting in data centers. He noted that CCI is also researching buying Noble Energy's buildings in the District.

Mr. Eby reported on the status of the construction contract with CFG Industries LLC ("CFG") for clarifier repairs at the WWTP. He then reviewed various photos of the project. Mr. Eby next presented Pay Application No. 1 in the amount of \$185,220 and recommended payment of same. After discussion, Director Rhodes made a motion to approve Pay Application No. 1 in the amount of \$185,220. Director Campbell seconded the motion, which unanimously carried.

Mr. Eby then presented a quote from CFG for additional metal and piping that is needed for the Water Plant to replace approximately 2,000 pounds of metal. After discussion, Director Campbell made a motion to approve the quote from CFG in the amount of \$15,000 for additional metal and piping for the Water Plant. Director Theriot seconded the motion, which unanimously carried.

Mr. Eby reported on the status of the permit application for the WWTP Discharge Permit renewal. He stated that the draft permit was received from the Texas Commission on Environmental Quality and that he had no comments. Mr. Eby reviewed correspondence sent to the TCEQ on October 28, 2022 advising of same.

Mr. Thiry next reported that the dead tree next to the WWTP driveway is apparently on Harris County Flood Control District ("HCFCD") property. He stated that he is going to contact HCFCD to advise them of the dead tree. Mr. Thiry asked the Board whether it would like EDP to remove the dead tree if HCFCD advises that it will not remove it. After discussion, Director Campbell made a motion to authorize EDP to remove the dead tree next to the WWTP driveway on HCFCD property if HCFCD will not remove same. 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.

REVIEW PROPOSALS FOR MASS COMMUNICATION SERVICE

The Board next considered the review of proposals for mass communication services for the District. The Board reviewed proposals from Touchstone District Services, Off Cinco and Classic Messaging, copies of which are all attached hereto as (**Exhibit E**). Ms. Richardson presented a Messaging Proposal Comparison and reviewed same with the Board. She discussed the set-up, recurring costs, administrative or content writing, per text charge and per email charge for Touchstone, Off Cinco and Classic Messaging. After discussion, Director Rhodes made a motion to approve the proposal from Classic Messaging for \$1,950 per year, \$65 to \$100 per hour for administrative or content writing, \$0.06 per text and \$0.06 per email. Director Garner seconded the motion, which unanimously carried.

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS

Ms. Richardson next stated that Director Geaslen had expressed an interest in investing in Treasury Bills which would require the District to amend its list of qualified brokers to add investment management firms that would be willing to hold the Treasury Bills for the District. She reviewed a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District which included the addition of the investment firms of GK Capital Advisors LLC and Merrill Lynch. After discussion, Director Theriot made a motion to adopt the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District and the list of financial institutions, brokers and dealers prepared by Claudia Redden (**Exhibit F**). Director Rhodes 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 Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment. Director Rhodes seconded the motion, which carried unanimously.

ANNUAL REVIEW OF INVESTMENT POLICY

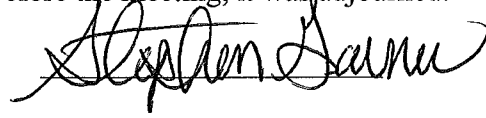
The Board next considered the annual review of the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Order") and the adoption of a Resolution relative thereto. Ms. Richardson advised that there are no proposed changes to the Order at this time and recommended that the current Order remain in effect. After discussion, Director Rhodes made a motion to adopt the Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (**Exhibit H**), and to authorize the President to sign and the Secretary to attest the Resolution on behalf of the Board and District. Director Theriot seconded the motion, which carried unanimously.

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.

A handwritten signature in black ink, appearing to read "Stephen J. Sauer". The signature is written in a cursive style with a large, sweeping initial "S".

Secretary, Board of Directors

LIST OF EXHIBITS

November 7, 2022

- Exhibit A Patrol Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Operator's Report
- Exhibit D Engineering Report
- Exhibit E Proposals from Classic Messaging, Touchstone District Services and Off Cinco
- Exhibit F Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with District
- Exhibit G Bookkeeping Report
- Exhibit H Resolution Regarding Review of Investment Policy