

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

Minutes of Board of Directors Meeting

October 9, 2023

ACTIONS TAKEN

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1. The Board approved the minutes of the September 11, 2023, meeting.
2. 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, 2023.
3. The Board authorized Director Geaslen to act on behalf of the Board and the District to approve an Interlocal Agreement for Law Enforcement Services with Harris County.
4. The Board conducted a public hearing and subsequently adopted an Order levying the 2023 tax rate.
5. The Board amended the District Information Form in connection with the adoption of the 2023 tax rate.
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 approved replacement of the motor on blower no. 1 at the WWTP for \$10,500.
8. The Board approved the Operations and Maintenance Report presented by EDP.
9. The Board approved a quote from Inframark for the Phase 2 Cleaning and Televising of the sanitary sewer lines in the District at a cost of \$4,783.50.
10. The Board approved the Engineering Report presented by Eby Engineers, Inc.
11. 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 9, 2023, 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"); Robert Cardenas of Environmental Development Partners, L.L.C. ("EDP"); Roshell Arterburn of Utility Tax Service, L.L.C. ("UTS"); Mark C. Eyring, CPA, PLLC ("Eyring"); Sergeant Stensland and Sergeant Angstadt of Harris County Sheriff's Office ("HCSO"); Erica Rocha of S.E.A.L. Security Solutions ("S.E.A.L."); 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 11, 2023. After discussion, Director Garner made a motion to approve the minutes of the September 11, 2023, Board of Directors meeting, as presented. 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, 2023. Mr. Eyring presented a two-year engagement letter with Mark C. Eyring, CPA, PLLC ("Eyring") for the fiscal years ended September 30, 2023, and September 30, 2024 (**Exhibit A**). He advised that Eyring's fee for the preparation of the audit report has increased \$3,000 from last year to \$12,300 per year. After discussion, Director Campbell made a motion to approve the engagement of Eyring to prepare the District's audit report for the fiscal years ending September 30, 2023 and September 30, 2024, as discussed above. Director Garner seconded the motion, which carried unanimously.

Mr. Eyring exited the meeting at this time.

## PRESENTATIONS REGARDING SECURITY PATROL SERVICES FOR THE DISTRICT

The Board next considered presentations regarding security patrol services for the District. Sergeant Stensland and Sergeant Angstadt introduced themselves to the Board and discussed entering into a contract with the Harris County Sheriff's Office. Sergeant Stensland stated that the District would need to enter into a 100% contract since it is after the first of the fiscal year. He stated that the cost for a 100% contract for one (1) sheriff deputy is \$116,400 per year, which would be prorated for the rest of this fiscal year. He also noted that the District could revert back to a 70% or 80% contract when the contract renews next fiscal year. Sergeant Stensland stated that the Interlocal Agreement has to be approved in Commissioner's Court and will take approximately forty-five (45) days until the contract would be effective. Sergeant Angstadt stated that HCSO is responsible for all of the law enforcement in Harris County with over 3,000 employees and lots of resources comparatively. Director Theriot asked if the Board can set the security patrol schedule. Sergeant Angstadt confirmed that the District can set the security patrol schedule but will need to schedule two (2) consecutive days off for deputies and select morning, afternoon, evening or night shift for the same day worked each week. Director Geaslen discussed the recurring issues the District had with the Harris County Constable's Office wherein there was a lot of deputy turnover in the District resulting in the need to constantly fill the position. Sergeant Angstadt stated that if a deputy leaves HCSO, the policy requires that the position be filled immediately. He stated that HCSO also fills in coverage if a deputy has to be off more than forty (40) hours in a row plus the two days on either end which would be the deputy's normal days off. He stated that if an officer is hurt on duty, the position will be filled immediately. Director Rhodes asked if HCSO provides monthly reports for the Board's review. Sergeant Stensland stated that HCSO will attend the monthly Board meetings and provide reports for the Board's review at the meeting. Director Rhodes also expressed his concerns regarding visibility. Sergeant Stensland stated that all police cars in Harris County have trackers and the monthly reports will show all calls that were responded to each day. He stated that HCSO will credit time back if an officer has to be out of the contract for several hours.

Ms. Rocha addressed the Board and stated that she is the Chief Client Officer for S.E.A.L Security Solutions. She presented a Security Program handout along with an Officer Security Proposal and reviewed same with the Board (**Exhibit B**). She stated that S.E.A.L. is a Houston based company and all officers are commissioned and licensed to carry a weapon by the State of Texas. Ms. Rocha then gave an overview of the company. She stated that officers can place someone in handcuffs if they see the commission of a crime and then will call dispatch to come and arrest the person. She noted that S.E.A.L. officers are all K-9 certified through the DPS. Ms. Rocha stated that S.E.A.L. officers will attend community events and will do welfare and vacation checks. She noted that S.E.A.L. also offers GPS monitoring for officers. Ms. Rocha stated that one (1) armed commissioned officer with a highly marked S.E.A.L. vehicle is \$38.00 per hour with a minimum of forty (40) hours per week and minimum of eight (8) hours per shift. Director Geaslen stated that the District has struggled with turnover and asked how that works for S.E.A.L. officers. Ms. Rocha stated that three (3) officers are trained for a certain areas so that there is always someone who can cover if needed. Director Rhodes asked about the turnover rate for S.E.A.L. officers. Ms. Rocha stated that there is not a significant turnover and that officers have a one (1) year contract with a thirty (30) day termination clause.

Ms. Rocha exited the meeting at this time.

The Board then discussed the differences between security patrol services with HCSO and S.E.A.L. After discussion, Director Rhodes made a motion to authorize Director Geaslen to act on behalf of the Board and the District to approve an Interlocal Agreement for Law Enforcement Services with Harris County and to authorize Director Geaslen to execute same on behalf of the Board and the District. Director Theriot seconded the motion, which unanimously carried. Ms. Richardson agreed to contact Sergeant Stensland regarding the Board's decision.

### **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 2023 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 2023 maintenance tax rate. No members of the public were present and wishing to speak, so the President announced the hearing closed.

### **ADOPTION OF 2023 TAX**

The Board next considered the adoption and levy of the District's 2023 maintenance tax rate. After discussion, Director Theriot made a motion that the District levy a 2023 maintenance tax of \$0.1078 per \$100 of assessed valuation and to adopt the Order Levying Taxes (**Exhibit C**). Director Campbell 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 2023 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 Campbell seconded the motion, which carried unanimously.

### **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, 2023. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Garner made a motion to approve the Tax Assessor-Collector Report as presented, to approve the checks identified in the report for payment and to approve moving the list of subject accounts to uncollectible. Director Rhodes seconded the motion, which carried unanimously.

## **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit E**). Mr. Cardenas reported on the remaining amounts to be paid by the Federal Emergency Management Agency totaling approximately \$150,000. Mr. Cardenas stated that EDP provided FEMA with additional information requested by FEMA to support the additional amounts owed to the District but has not yet received a response. Director Geaslen urged Mr. Cardenas to be more aggressive with FEMA about the status of issuance of the outstanding anticipated payment.

Mr. Cardenas reported that EDP received quotes for the removal of sludge and debris that remains in the emptied tanks after the inspection last month. He stated that EDP authorized Magna Flow to perform the work for an estimated price of \$5,000.00.

Mr. Cardenas next reported that the motor on blower no. 1 at the WWTP went out and EDP recommends replacement of the motor for an estimated cost of \$10,500. After discussion, Director Rhodes made a motion to approve replacement of the motor on blower no. 1 at the WWTP for \$10,500. Director Campbell seconded the motion, which unanimously carried.

Mr. Cardenas next reported on the Harris County Wastewater Based Epidemiology Program. He stated that Harris County reached out to schedule a site visit to see if the WWTP would be an ideal sample site for their surveillance program to monitor pathogens and chemicals shed by persons into the District's sewer system. The Board agreed that it would not be interested in joining the program.

Mr. Cardenas reported that there are two (2) water meters owned by the homeowners' association ("HOA") that have been billed to the wrong account since 2018. He stated that the accounts total \$3,583 and were billed to the wrong HOA section. Mr. Cardenas stated that EDP is working to notify the HOA's regarding the matter.

Mr. Cardenas next discussed a request from a customer for an adjustment on their water bill due to a leak. He stated that the customer's water bill was \$270 when it is normally \$17. Mr. Cardenas stated that the water meter was inaccurately reading very low and the water bill should actually have been much higher. After discussion, the Board declined to offer an adjustment on the water bill.

Mr. Eby reported that that the WWTP load percentage has increased since June and he is unsure of the reason for the increase since there has been very little rain. He stated that he will monitor the issue. He noted that it could be due to some of the commercial properties being repopulated.

Director Campbell next discussed the water odor complaint from last month. Mr. Eby stated that the problem is being resolved slowly as the North Harris County Regional Water Authority ("NHCRWA") is slowly ramping up the provision of surface water to its member districts.

Mr. Cardenas reported that the NHCRWA is now in Stage 1 of the Drought Contingency Plan. The Board requested that the website be updated accordingly.

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

### **STATUS OF CONSTRUCTION CONTRACT WITH TMS**

The Board next considered the status of the construction contract with TMS for the Sanitary Sewer Rehabilitation, Phase 1 project. Mr. Eby stated that the contracts are being executed by the contractor and will then be forwarded to MRPC for review of bonds and insurance.

### **STATUS OF CONSTRUCTION CONTRACT WITH CANYON CONSTRUCTION**

The Board next considered the status of the construction contract with Canyon Construction for the Waterline Lowering Under Faulkey Gully project. Mr. Eby stated that the contracts are being executed by the contractor and will then be forwarded to MRPC for review of bonds and insurance.

### **ENGINEERING REPORT**

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

Mr. Eby stated that the monthly checklist and invoice for the month of September from Patriot Production & Rental Services, LLC has not yet been received.

Mr. Eby next reported that Main Branch Tree Service cut down and hauled away the dead oak trees and dead and hanging broken tree limbs but there were more trees needing trimming than originally anticipated. He stated that the cost increased to \$3,600 and that Director Geaslen approved the price increase. Director Theriot stated that there is a dead pine tree on Cypresswood Drive that needs to be inspected. Mr. Eby stated that he will investigate the matter with Director Campbell next week.

Mr. Eby reported that the graffiti at the skate park was painted a couple weeks ago.

Mr. Eby reported on the status of the Phase 2 Cleaning and Televising of the sanitary sewer lines in the District. He presented a quote from Inframark in the amount of \$4,783.50 to clean and televise Phase 2. After discussion, Director Theriot made a motion to authorize the Phase 2 Cleaning and Televising of the sanitary sewer lines at a cost of \$4,783.50. Director Rhodes seconded the motion, which unanimously carried.

Director Rhodes next asked if Inframark has experience doing cleaning and televising of lines. Mr. Cardenas stated that Inframark has experience and has their own equipment for the project.

Director Theriot stated that the cobwebs need to be cleaned and the lights changed at the park gazebo. She stated that she would also like to look and see if the gazebo needs to be painted. Mr. Eby stated that he will investigate the matter. He also stated that he sent an email to the park equipment company asking about the status of benches and tables. Director Theriot stated that various people who attended the National Night Out event mentioned wanting more tables and benches near the gazebo.

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

### **AMENDMENT TO AGREEMENT BETWEEN THE DISTRICT AND ENGINEER FOR PROFESSIONAL SERVICES**

The Board next considered an amendment to the Agreement between the District and Engineer for Professional Services. Mr. Eby presented the attached Hourly Rate Schedule for Engineering Services (**Exhibit G**) and reviewed same with the Board. After discussion, Director Rhodes made a motion to approve the hourly rate schedule from Eby, and approve an Amendment to Agreement between the District and Engineer for Professional Services, as discussed above. Director Theriot seconded the motion, which unanimously carried.

### **BOOKKEEPING REPORT**

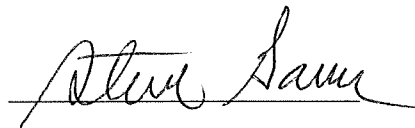
The Board next considered the Bookkeeper's Report. Ms. Trebing reviewed the Bookkeeping Report (**Exhibit H**), including the checks presented for payment. Director Theriot noted that the voided check to Yellowstone Landscape is not listed on the report. After discussion, Director Garner made a motion to approve the Bookkeeper's Report, including the checks presented for payment and authorized the investments as discussed above. Director Rhodes 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.



Secretary, Board of Directors