

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

February 20, 2017

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 285 (the "District") met in regular session, open to the public, on the 20th day of February, 2017, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Jerry L. Allen	President
Walter A. Knowles, Jr.	Vice President/Investment Officer
Tom Nguyen	Secretary
Trina Francis	Assistant Vice President
Rosario Garza	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Ray Arce and Lizandro Campos of Wheeler & Associates, Inc. ("Wheeler & Associates"); Dana Davis of Myrtle Cruz, Inc.; William "Bill" Ehler, P.E. of LJA Engineering, Inc. ("LJA"); Calvin Browne of Municipal District Services L.L.C. ("MDS"); Arthur K. Marshall of the North Channel Water Authority ("NCWA"); Josh Fort of Champions Hydro-Lawn, Inc. ("Champions"); Neil Atkinson of Atkinson Engineers; Gary Ferguson and Carl Swartz of BPI Realty Services, Inc. ("BPI"); Michael Wilson of Ley Wilson Development, LLC; Deputy Bruce Farris of the Harris County Sherriff's Office; and Robert A. Seale and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("AHBR").

MINUTES

The Board considered approving the minutes of the January 16, 2017, regular meeting. After review and discussion, Director Knowles moved to approve the minutes of the January 16, 2017, regular meeting as presented. Director Francis seconded the motion, which carried unanimously.

STATEMENTS AND QUESTIONS FROM THE PUBLIC

There were no statements or questions received from the public.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, REIMBURSEMENT OF ELIGIBLE EXPENSES, AND ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the recent AWBD winter conference. The Board discussed the summer AWBD conference in Corpus Christi, Texas, scheduled for June 22, 2017, through June 25, 2017. After discussion, Director Knowles moved to (1) approve reimbursement of eligible submitted winter conference Directors expenses, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines; and (2) authorize interested directors to attend the summer AWBD conference. The motion was seconded by Director Nguyen and carried by unanimous vote.

The Board discussed attending the upcoming American Water Works Association ("AWWA") conference. After discussion, The Board concurred to authorize any Board member to attend a maximum of one AWWA conference per year.

SECURITY SERVICES REPORT

Deputy Farris introduced himself to the Board and discussed patrols and activity in the District. The Board reviewed the security report from the Harris County Sheriff's Office, a copy of which is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Davis presented and reviewed the bookkeeper's report, budget comparison, schedule of investments, and the District's bills for payment. A copy of the bookkeeper's report is attached. She stated \$80,562.50 will be transferred from the capital projects fund to the operating account for payment of Pay Estimate No. 2 and Final for the Wastewater Treatment Plant ("WWTP") No. 2 chlorine contact basin aeration replacement, which was included in the MDS invoice. After review and discussion, Director Knowles moved to approve the bookkeeper's report, the investment report, and payment of the bills. Director Nguyen seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Arce reviewed the monthly tax report and delinquent tax roll, copies of which are attached, and noted that 95.10% of the District's 2016 taxes have been collected through January 31, 2017. The Board then reviewed the delinquent tax report prepared by Perdue, Brandon, Fielder, Collins & Mott, LLP, a copy of which is attached. After review and discussion, Director Knowles moved to (1) approve the tax report and

payment of the tax bills; and (2) approve the delinquent tax report. Director Garza seconded the motion, which passed by unanimous vote.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Seale reviewed a Resolution Concerning Exemptions from Taxation reflecting that the Board of Directors rejects a general residential homestead exemption, rejects any exemption of travel trailers from ad valorem taxation, and grants a \$20,000 exemption for persons who are disabled or 65 years of age or older. After review and discussion, Director Francis moved to adopt Resolution Concerning Exemptions from Taxation and direct that the Resolution be filed appropriately and retained in the District's official records. Director Knowles seconded the motion, which passed by unanimous vote.

WEBSITE MATTERS

Director Francis updated the Board regarding the District website.

NCWA REPORT

Mr. Marshall reviewed a report on NCWA matters, a copy of which is attached.

GARBAGE COLLECTION AND RECYCLING SERVICES MATTERS

The Board reviewed and discussed a report on garbage collection and recycling services from Best Trash, LLC, a copy of which is attached.

DEVELOPMENT IN THE DISTRICT

Mr. Ferguson and Mr. Wilson updated the Board on development in the District.

DETENTION FACILITIES REPORT

Mr. Fort reviewed the Detention and Drainage Facilities Report from Champions, a copy of which is attached. Discussion ensued regarding silt accumulating at the drainage channel on Liberty Creek Trail due to area construction. The Board requested Mr. Ehler and Mr. Browne discuss desilting the drainage channel and silt fencing obligations with the contractor(s).

Mr. Fort reviewed a proposal from Champions to install 42 bollards with chains at the access points of the Liberty Lakes channel in the amount of \$9,649.00. Following review and discussion, Director Knowles moved to approve the proposal from

Champions in the amount of \$9,649.00. Director Allen seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Ehler presented the engineer's report, a copy of which is attached, including the projects specifically addressed as follows:

NEW FOREST TOWN CENTER DETENTION FACILITIES

Mr. Ehler updated the Board on the plans and specifications for the New Forest Town Center detention facilities, and he reviewed a letter to Atkinson Engineers regarding construction plan review for the project, a copy of which is attached. Mr. Ehler requested that the Board approve plans and specifications and authorize advertisement for bids for the New Forest Town Center detention facilities contingent upon Atkinson Engineers providing LJA with final plans and drainage study that adequately address LJA's comments.

LIFT STATION NO. 2 EXPANSION

Mr. Ehler recommended the Board award the contract for construction of the lift station no. 2 expansion to the lowest bidder, Panorama Construction ("Panorama") in the amount of \$273,780.00. Based on the engineer's recommendation, the Board determined that, in its judgment, the low bidder would be most advantageous to the District and would result in the best and most economical completion of the project. Mr. Ehler stated LJA is coordinating with the City of Houston to obtain a variance for a more cost effective generator enclosure and, if approved, LJA will request a change order reduction to the project.

CARPENTERS LANDING, SECTION 7 WATER, SANITARY SEWER, AND DRAINAGE FACILITIES

Mr. Ehler updated the Board on the water, sanitary sewer, and drainage facilities to serve Carpenters Landing, Section 7 and recommended acceptance of the project for maintenance.

WWTP NO. 2 CHLORINE CONTACT BASIN AERATION REPLACEMENT

Mr. Ehler gave an update on the WWTP No. 2 chlorine contact basin aeration replacement and stated the project is complete.

WWTP NO. 2 FINE SCREEN REPLACEMENT

Mr. Ehler gave an update on the WWTP No. 2 fine screen replacement. He stated there have been significant delays in obtaining the equipment for the project and that the equipment is being shipped this week.

WWTP NO. 2 EXPANSION

Mr. Ehler updated the Board on the WWTP No. 2 expansion.

CARPENTERS LANDING, SECTION 8 WATER, SANITARY SEWER, AND DRAINAGE FACILITIES

Mr. Ehler updated the Board on construction of the water, sanitary sewer, and drainage facilities to serve Carpenters Landing, Section 8. He recommended approval of Pay Estimate No. 1 to Crostex Construction, Inc. in the amount of \$62,809.65.

CLEARING AND GRUBBING TO SERVE THE NEW FOREST TOWN CENTER TRACTS A AND B

Mr. Ehler updated the Board on the clearing and grubbing to serve the New Forest Town Center Tracts A and B and stated the project is complete.

WATER PLANT STORMWATER PUMP STATION AND FORCE MAIN

Mr. Ehler gave an update on the plans and specifications for the Water Plant stormwater pump station and forcemain to address drainage issues within the water plant site for the District's joint water supply system with Harris County Fresh Water Supply District No. 51. He stated LJA is in the process of determining the existence of necessary access and utility easements.

PHASE I ELECTRICAL EVALUATION

Mr. Ehler gave an update on the phase I electrical evaluation of the District's facilities.

DEEDS, EASEMENTS, PLATS, SURVEYS, AS-BUILT CERTIFICATIONS, APPRAISALS, AND CONSENTS TO ENCROACHMENT

Mr. Seale reviewed a drainage and detention easement from Uvalde Realty Partners, LLC ("Uvalde") to the District for an 18-acre detention pond (the "Pond") at New Forest Town Center. Mr. Seale then requested the Board's approval and

acceptance of five sanitary sewer easements from Uvalde for the New Forest Town Center, subject to final ABHR review and approval.

Mr. Seale reviewed a letter to Harris County Public Infrastructure Department ("HCPID") stating the District will provide the necessary Pond maintenance.

UTILITY COMMITMENT REQUESTS

Mr. Ehler discussed with the Board the status of the Domain New Forest Crossing Apartments, the Hampton Inn & Suites, and the Arby's and Checkers restaurants. He stated exhibits for the redevelopment of the church site at 15049 Wallisville Road were submitted to LJA.

UPDATE ON BOND APPLICATION NO. 11

Mr. Seale updated the Board on bond application no. 11. Mr. Seale stated that the request for authorization to advertise for the sale of its Series 2017 Bonds and to rescind the requirement that the District escrow \$571,269 of the bond issue proceeds for Carpenters Landing, Section 7 is being reviewed by the Texas Commission on Environmental Quality.

PROPOSALS FOR ENGINEERING SERVICES

There were no additional engineering services proposals presented to the Board.

After review and discussion, Director Francis moved to (1) approve the engineer's report; (2) approve plans and specifications and authorize advertisement for bids for the New Forest Town Center detention facilities contingent upon approval of final plans and drainage study by LJA; (3) award the contract to the lowest bidder, Panorama, in the amount of \$273,780.00 for construction of the lift station no. 2 expansion; (4) accept the water, sanitary sewer, and drainage facilities to serve Carpenters Landing, Section 7 for maintenance; (5) approve Pay Estimate No. 1 in the amount of \$62,809.65 for construction of the water, sanitary sewer, and drainage facilities to serve Carpenters Landing, Section 8; (6) accept and authorize execution of the drainage and detention easement from Uvalde; (7) accept and authorize execution of the sanitary sewer easements from Uvalde, subject to final ABHR review and approval; (8) direct that the Easements be filed appropriately and retained in the District's official records; and (9) authorize execution of the letter to HCPID and direct that the letter be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed by unanimous vote.

OPERATIONS REPORT

Mr. Browne distributed and reviewed the monthly operations report, a copy of which is attached, and reviewed the maintenance and repair items included in the report.

Mr. Browne reported on a permit excursion at WWTP No. 1 for the month of January 2017.

In response to an inquiry by Director Francis, Mr. Browne reported MDS is compiling information for the cyanide study at WWTP No. 2.

The Board discussed the District's participation in the AWBD Water Smart Program. Mr. Browne then reviewed a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program.

After review and discussion, Director Knowles moved to (1) approve the operations report; (2) authorize MDS to turn over three accounts totaling \$259.66 deemed to be uncollectible to a collection agency; and (3) approve the Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program. Director Nguyen seconded the motion, which passed by unanimous vote.

HEARING REGARDING TERMINATION OF SERVICE

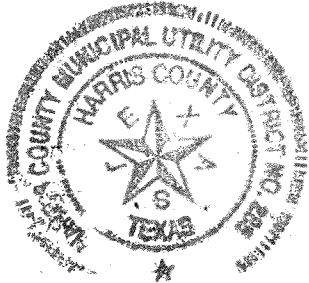
Mr. Browne presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Knowles moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. The motion was seconded by Director Nguyen and passed by unanimous vote.


DISTRICT MEETING SCHEDULE

The Board concurred to hold its next regular meeting on Monday, March 20, 2017, at 6:30 p.m. at ABHR.

There being no further business to come before the Board, the meeting was adjourned by agreement.

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Minutes</u>
	<u>Page</u>
Security report.....	2
Bookkeeper's report.....	2
Tax report and delinquent tax roll.....	2
Delinquent tax report	2
Report on NCWA matters	3
Garbage collection and recycling services report from Best Trash.....	3
Detention and drainage facilities report from Champions.....	3
Engineer's report.....	4
Letter to Atkinson Engineers.....	4
Operations report.....	7