

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

March 18, 2024

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 18th day of March, 2024, at the offices of 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:

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|------------------------|------------------------------|
| Walter A. Knowles, Jr. | President/Investment Officer |
| Jerry L. Allen | Vice President |
| Rosario Garza | Secretary |
| Trina Francis | Assistant Vice President |
| John Jones | Assistant Secretary |

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

Also present at the meeting were: Tiawanna Richards and Joshua Kamienski, members of the public; Darce' Ahlschlager of Wheeler & Associates, Inc.; Amy Carpenter of Myrtle Cruz, Inc.; Mark Swanson and Travis Veillon of LJA Engineering, Inc. ("LJA"); Arthur K. Marshall of the North Channel Water Authority ("NCWA"); Scott Gray of Champions Hydro-Lawn, Inc. ("Champions"); Calvin Browne of Municipal District Services L.L.C. ("MDS"); Craig Rathmann of Rathmann & Associates, L.P. ("Rathmann"); and Aaron Carpenter and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR").

STATEMENTS AND QUESTIONS FROM THE PUBLIC

There were no statements or questions received from the public.

MINUTES

The Board considered approving the minutes of the February 19, 2024 regular meeting. After review and discussion, Director Allen moved to approve the minutes of the February 19, 2024 regular meeting, as submitted. Director Jones seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2024

Mr. Carpenter stated that the District has engaged McCall Gibson Swedlund Barfoot PLLC ("MGSB") to conduct the annual audit of the District's financial statements. The Board reviewed a letter from MGSB, a copy of which is attached, requesting

authorization to conduct the audit for the fiscal year ending March 31, 2024, with an estimated fee between \$23,000 and \$25,500. Following review and discussion, Director Garza moved to authorize MGSB to conduct the audit for the fiscal year ending March 31, 2024. Director Francis seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Carpenter 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.

Ms. Carpenter presented the draft budget for fiscal year end March 31, 2025, a copy of which is attached.

After review and discussion, Director Garza moved to (1) approve the bookkeeper's report, the investment report, and payment of the bills; and (2) adopt the proposed budget for fiscal year ending March 31, 2025, as submitted. Director Jones seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Ahlschlager reviewed the tax report for the month of February, a copy of which is attached. She stated that the District's 2023 taxes are 95.82% collected as of February 29, 2024. After review and discussion, Director Jones moved to approve the tax report and payment of the tax bills. Director Garza seconded the motion, which passed unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered adopting a Resolution Concerning Exemptions from Taxation. Mr. Rathmann reviewed the attached exemption analysis and discussed the optional exemptions, including a general residential homestead exemption and an exemption for disabled persons or persons 65 years of age or older. After review and discussion, Director Allen moved to adopt a Resolution Concerning Exemptions from Taxation, reflecting that the Board of Directors grants a \$35,000 homestead exemption for disabled persons or persons 65 years of age or older and a general homestead exemption of 7% (or not less than \$5,000), and direct that the Resolution be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed unanimously.

WEBSITE MATTERS, INCLUDING EMERGENCY ALERT/MESSAGING SERVICES

There was no discussion on this matter.

SECURITY SERVICES REPORT

The Board reviewed the security report from the Harris County Sheriff's Office, a copy of which is attached.

Discussion ensued regarding requesting an audit of the services the District receives pursuant to its contracts with Harris County for law enforcement services, in order to confirm that the assigned deputies' working time is adequately devoted to providing law enforcement services within the boundaries of the District. Following discussion, Director Knowles moved to authorize ABHR to contact the Harris County Sheriff's Office to request such an audit and that the results of same be provided to the Board for review. Director Allen seconded the motion, which passed unanimously.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this matter.

NCWA REPORT

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

DETENTION FACILITIES REPORT

Mr. Gray reviewed the Detention and Drainage Facilities Report from Champions, a copy of which is attached. He reviewed a proposal from Champions, a copy of which is attached, to repair slope erosion at the Half Moon Pond in the amount of \$8,242.00. Following review and discussion, Director Allen moved to (1) accept the maintenance report; and (2) approve the proposal from Champions in the amount of \$8,242.00. Director Francis seconded the motion, which passed by unanimous vote.

GARBAGE COLLECTION AND RECYCLING SERVICES MATTERS

Director Garza reviewed a report on garbage collection and recycling services from Best Trash, a copy of which is attached.

ENGINEER'S REPORT

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

WATER PLANT NO. 1 DRAINAGE IMPROVEMENTS

Mr. Swanson gave an update on design of the Water Plant No. 1 drainage improvements. He stated that LJA will update design plans for the project for resubmittal to Harris County for approval.

DETENTION POND AND STORM WATER PUMP STATION TO SERVE TRACT OFF WALLISVILLE ROAD EAST OF CARPENTERS LANDING

Mr. Swanson gave an update on design of the detention pond and storm water pump station to serve the tract off Wallisville Road east of Carpenters Landing. He noted that a schedule for advertisement for bids for the project will be determined after agency comments are received.

WATER PLANT NO. 1, PHASE 3

Mr. Swanson gave an update on construction of the Water Plant No. 1, Phase 3 project. He reported that the project is substantially complete and the contractor is addressing punch list items.

CLEARING OF TRACT LOCATED OFF WALLISVILLE ROAD EAST OF CARPENTERS LANDING

Mr. Swanson gave an update on the clearing of the tract located off Wallisville Road east of Carpenters Landing.

REPORT ON ELECTRICITY CONSUMPTION AND ENERGY EFFICIENCY

Mr. Swanson gave an update on preparation of the report on the District's electricity consumption and energy efficiency measures.

DEVELOPMENT OF GEOGRAPHIC INFORMATION SYSTEM ("GIS")

Mr. Swanson reported that LJA will present a proposal for development of GIS for the District after the scope of service has been confirmed with MDS.

ANNEXATION OF 15.022-ACRE TRACT

Mr. Swanson gave an update on preparation of a written feasibility report for the proposed annexation of the 15.022-acre tract of land into the District.

HARRIS COUNTY FRESH WATER SUPPLY DISTRICT NO. 51 WATER PLANT REHABILITATION AND UPGRADE PROJECT

There was no discussion on this matter.

OPERATIONS REPORT

Mr. Browne reviewed the monthly operations report, a copy of which is attached, and reviewed the maintenance and repair items included in the report. After review and discussion, Director Allen moved to (1) approve the operations report; and (2) authorize MDS to turn over three accounts in the total amount of \$202.32, deemed to be

uncollectible, to a collection agency. Director Garza seconded the motion, which passed unanimously.

HEARING REGARDING TERMINATION OF SERVICE

Mr. Browne presented a list of delinquent customers and reported the customers 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 Allen 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 Garza and passed by unanimous vote.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES AND AUTHORIZE ANNUAL FILING

The Board reviewed an updated Critical Load Spreadsheet ("CLS") for the District's facilities. Mr. Carpenter stated that the District is required to report its critical load facilities annually to the Harris County Emergency Management Coordinator, the Public Utility Commission of Texas, the Division of Emergency Management of the Governor's office, the District's retail electric provider, and the District's transmission and distribution utility company. Mr. Carpenter noted that the CLS has been reviewed by the District's operator, engineer, and bookkeeper prior to the meeting. Following review and discussion, Director Jones moved to (1) approve the CLS; and (2) authorize ABHR to file the CLS with the Harris County Emergency Management Coordinator, the Public Utility Commission of Texas, the Division of Emergency Management of the Governor's office, the District's retail electric provider, and the District's transmission and distribution utility company. Director Garza seconded the motion, which passed by unanimous vote.

APPROVE AND AUTHORIZE OPERATOR TO FILE WATER LOSS AUDIT, IF REQUIRED

The Board concurred to defer this item to next month.

ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Mr. Carpenter stated that the Texas Commission on Environmental Quality ("TCEQ") rules require that the District review and adopt an Amended and Restated Drought Contingency Plan in 2024, prior to May 1st. Mr. Carpenter reviewed an Amended and Restated Drought Contingency Plan with the Board. After review and discussion, Director Knowles moved to adopt an Order Adopting Amended and Restated

Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that such Order be filed appropriately and retained in the District's official records. Director Jones seconded the motion, which passed by unanimous vote.

REVIEW WATER CONSERVATION PLAN; APPROVE ANNUAL REPORT AND WATER CONSERVATION IMPLEMENTATION REPORT; ADOPT ORDER ADOPTING AMENDED AND RESTATED WATER CONSERVATION PLAN

The Board concurred to defer this item to next month.

2024 DIRECTORS ELECTION

Mr. Carpenter discussed procedures related to the 2024 Directors Election. He reviewed a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received two candidate application for the two director positions for the May 4, 2024, Directors Election.

Mr. Carpenter reviewed an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, Jerry Allen and John Jones, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. He reviewed the posting requirements for the Order Cancelling.

Following review and discussion, Director Francis moved to (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records; and (2) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that the Order Cancelling be filed appropriately and retained in the District's official records. Director Knowles seconded the motion which passed unanimously.

DISTRICT MEETING SCHEDULE

Following discussion, the Board concurred to hold its next regular meeting on Monday, April 15, 2024 at 6:30 p.m. at ABHR's offices.

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

(SEAL)




Secretary, Board of Directors

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