

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

March 21, 2022

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 21st day of March, 2022, 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:

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

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

Also present at the meeting were Darce' Ahlschlager of Wheeler & Associates, Inc.; Brittni Silva of Myrtle Cruz, Inc.; Mark Swanson of LJA Engineering, Inc. ("LJA"); Arthur K. Marshall of the North Channel Water Authority ("NCWA"); Mike Scott of Champions Hydro-Lawn, Inc. ("Champions"); Calvin Browne of Municipal District Services L.L.C. ("MDS"); and Robert A. Seale, Aaron Carpenter, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP.

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 21, 2022 regular meeting. After review and discussion, Director Allen moved to approve the minutes of the February 21, 2022 regular meeting, as submitted. Director Francis seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2022

Mr. Seale 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, 2022, with an estimated fee between \$22,000 and \$23,500. Following review and discussion, Director Knowles moved

to authorize MGSB to conduct the audit for the fiscal year ending March 31, 2022. Director Garza seconded the motion, which passed unanimously.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Silva 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 requested the Board approve additional check no. 1056 to Deal, Sikes & Associates in the amount of \$1,215.00. After review and discussion, Director Allen moved to approve the bookkeeper's report, the investment report, and payment of the bills, including additional check no. 1056 to Deal, Sikes & Associates in the amount of \$1,215.00. Director Francis seconded the motion, which passed unanimously.

#### ADOPT BUDGET FOR FISCAL YEAR END MARCH 31, 2023

Ms. Silva presented the proposed budget for fiscal year end March 31, 2023, a copy of which is attached. After review and discussion, Director Allen moved to adopt the proposed budget for fiscal year ending March 31, 2023, as presented. Director Garza seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Ahlschlager reviewed the monthly tax report, a copy of which is attached. She stated the District's 2021 taxes are 97.40% collected as of February 28, 2022. 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 Francis 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.

#### DEVELOPMENT IN THE DISTRICT

There was no discussion on development in the District.

#### NCWA REPORT

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

## DETENTION FACILITIES REPORT

Mr. Scott reviewed the Detention and Drainage Facilities Report from Champions, a copy of which is attached, and reported that the graffiti which was located on and around a Carpenter's Landing outfall pipe has been removed. He noted that the final cost to remove the graffiti was \$1,644.00.

## GARBAGE COLLECTION AND RECYCLING SERVICES MATTERS

There was no discussion on this matter.

## 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 EXPANSION, INCLUDING STORM WATER PUMP STATION AND FORCE MAIN

Mr. Swanson gave an update on construction of the water plant expansion project, including the storm water pump station and force main at the water plant site. He also gave an update on the acquisition of the remaining necessary easement from Equistar Chemicals, LP ("Equistar") for the project and reported that Phelps Dunbar LLP, the District's special counsel in this matter, filed a Petition and Statement of Condemnation with the Harris County Clerk.

### DETENTION POND AND STORM WATER PUMP STATION TO SERVE BELTWAY 8/US 90 COMMERCIAL SUBDIVISION TRACT 5

Mr. Swanson gave an update on construction of the detention pond and storm water pump station to serve Beltway 8/US 90 Commercial Subdivision Tract 5. He recommended approval of Pay Estimate No. 9 to RT Ellis, Inc., in the amount of \$21,477.60.

### WATER, SANITARY SEWER, AND DRAINAGE FACILITIES TO SERVE NEW FOREST PARKWAY, SECTION 2

Mr. Swanson gave an update on construction of the water, sanitary sewer, and drainage facilities to serve New Forest Parkway, Section 2. He noted that the first and second stages of work are complete.

### PAVING OF NEW FOREST PARKWAY, SECTION 2

Mr. Swanson gave an update on construction of the paving to serve New Forest Parkway, Section 2.

#### LIFT STATION TO SERVE BELTWAY 8/US 90 COMMERCIAL SUBDIVISION TRACT 5

Mr. Swanson gave an update on construction of the lift station to serve Beltway 8/US 90 Commercial Subdivision Tract 5. He recommended approval of Pay Estimate No. 2 to 5J Services, LLC in the amount of \$66,600.00.

#### WATER, SANITARY SEWER, AND DRAINAGE FACILITIES TO SERVE BELTWAY 8/US 90 COMMERCIAL SUBDIVISION TRACT 5

Mr. Swanson gave an update on construction of the water, sanitary sewer, and drainage facilities to serve Beltway 8/US 90 Commercial Subdivision Tract 5, as well as the acquisition of the necessary waterline and force main easements for the project.

#### EXPANSION TO LIBERTY LAKES LIFT STATION (LIFT STATION NO. 2)

Mr. Swanson gave an update on construction of the expansion to the Liberty Lakes Lift Station (Lift Station No. 2). He recommended approval of Pay Estimate No. 2 and Final to T&C Construction, Ltd., in the amount of \$10,000.00 and acceptance of the project.

#### UTILITY COMMITMENT REQUESTS

Mr. Swanson discussed with the Board the status of a proposed jewelry store to be located at the southeast corner of Beltway 8 and Auburn Knoll Drive, a proposed multi-family development located on the New Forest Town Center tract, and a proposed Dave's Hot Chicken restaurant to be located at 15245 Wallisville Road. He stated that a capacity reservation letter for 6 ESFC's of water and wastewater capacity and a letter of no objection were issued to Dave's Hot Chicken on March 14, 2022.

#### UPDATE ON BOND APPLICATION NO. 14

Mr. Swanson gave an update on preparation of bond application no. 14.

After review and discussion, and based on the engineer's recommendation, Director Francis moved to (1) approve the engineer's report; (2) authorize Phelps Dunbar LLP to schedule a Special Commissioners' hearing for the Equistar easement acquisition matter; (3) approve Pay Estimate No. 9 to RT Ellis, Inc., in the amount of \$21,477.60, for construction of the detention pond and storm water pump station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; (4) approve Pay Estimate No 2 to 5J Services, LLC in the amount of \$66,600.00 for construction of the lift station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; and (5) approve Pay Estimate No. 2 to T&C Construction, Ltd., in the



amount of \$10,000.00 for construction of the expansion to the Liberty Lakes Lift Station and accept the project. Director Allen seconded the motion, which passed by unanimous vote.

#### 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.

Mr. Browne reported that Lift Pump No. 1 at Wastewater Treatment Plant No. 2 is in need of repair and reviewed a proposal from NTS Pumps Motors & Controls, a copy of which is attached to the operations report, to either repair Lift Pump No. 1 in the amount of \$16,351.00 or replace Lift Pump No. 1 with a KSB pump in the amount of \$20,971.00 or a Flygt pump in the amount of \$31,545.00.

After review and discussion, Director Knowles moved to (1) approve the operations report; (2) approve replacement of Lift Pump No. 1 at Wastewater Treatment Plant No. 2 with a Flygt N-impeller pump in the amount of \$31,545.00; and (3) authorize MDS to turn over one account, deemed to be uncollectible, in the total amount of \$154.30 to a collection agency. Director Allen 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 Knowles moved to (1) 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; and (2) continue to authorize MDS to set up a payment plan with a term not to exceed six months with District customers on an as-needed basis until further notice. The motion was seconded by Director Allen and passed by unanimous vote.

#### SMART METER MATTERS

The Board discussed the installation of electronic water meters ("Smart Meters") offered by Accurate Meter & Supply ("Accurate") in the District and considered entering

into an agreement with Badger Meter, Inc. ("Badger") regarding software management for Smart Meters within the District. Mr. Browne reviewed the attached estimate of costs to install Smart Meters in the District prepared by MDS. He noted that the cost of a Smart Meter made of polymer is \$460.00 and the cost of a stainless steel Smart Meter is \$490.00. The Board discussed installing Smart Meters in the District in phases over the next several years. Mr. Seale then reviewed a Badger Meter Beacon AMA Managed Solution Master Agreement with Badger.

Mr. Browne stated he will present an updated MDS rate schedule, reflecting updates for Smart Meters, to the Board next month.

Mr. Seale also reviewed a Resolution Establishing Rules and Regulations Governing the Use of the District's Online Portal System. He stated that a notice of the rules and regulations is required to be published in a newspaper of general circulation in the District.

Following discussion, the Board directed ABHR to prepare an amended District Rate Order for adoption at the April meeting reflecting necessary Smart Meter updates.

After review and discussion, Director Allen moved to (1) approve the Beacon AMA Managed Solution Master Agreement with Badger and direct that the Agreement be filed appropriately and retained in the District's official records; (2) authorize MDS to install stainless steel Smart Meters offered by Accurate in the District in phases, as discussed; and (3) adopt the Resolution Establishing Rules and Regulations Governing the Use of the District's Online Portal System, direct that the Resolution be filed appropriately and retained in the District's official records, and authorize publication of notice of the rules and regulations. Director Garza seconded the motion, which passed by unanimous vote

#### REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT FACILITIES AND AUTHORIZE ANNUAL FILING

The Board concurred to defer this item to next month.

#### CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

The Board conducted an annual review of the District's Drought Contingency Plan and concurred that no changes were necessary.

#### ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

Mr. Browne discussed the District's annual report on implementation of the Water Conservation Plan. After review and discussion, Director Knowles moved to approve the District's annual report on implementation of the Water Conservation Plan and direct

that the annual report be filed appropriately and retained in the District's official records. Director Francis seconded the motion, which passed unanimously.

APPROVE AND AUTHORIZE OPERATOR TO PREPARE ANNUAL WATER LOSS AUDIT

The Board concurred to defer this item to next month.

2022 DIRECTORS ELECTION, INCLUDING CERTIFICATE DECLARING UNOPPOSED STATUS OF CANDIDATES, ORDER DECLARING UNOPPOSED CANDIDATES AND ORDER OF CANCELLATION

Mr. Seale presented a Certificate Declaring Unopposed Status of Candidates to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 7, 2022, Directors Election.

Mr. Seale presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 7, 2022, Directors Election is cancelled and that the unopposed candidates, Directors Knowles, Francis, and Garza, are declared elected to office to serve from the May 7, 2022, election until the May 2, 2026, Directors Election. He reviewed the posting requirements for the Order Cancelling.

Mr. Seale discussed that the Board had approved entering into a contract with Harris County to administer the District's 2022 Directors Election.

After 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; (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; and (3) cancel the contract with Harris County for election services for the May 7, 2022 Directors Election. Director Knowles seconded the motion, which passed by unanimous vote.

DISTRICT MEETING SCHEDULE

Following discussion, the Board concurred to hold its next regular meeting on Monday, April 18, 2022, at 6:30 p.m. at ABHR's offices.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board did not convene in Executive Session.

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

(SEAL)



A handwritten signature in black ink, consisting of a large, stylized initial "R" followed by a few loops and a long horizontal stroke extending to the right.

Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Letter from MGSB .....	1
Bookkeeper's report.....	2
Proposed budget for fiscal year end March 31, 2023 .....	2
Tax report.....	2
Delinquent tax report .....	2
Security report.....	2
Report on NCWA matters .....	2
Detention and drainage facilities report.....	3
Engineer's report.....	3
Operations report.....	5