

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

August 19, 2019

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 19th day of August, 2019, 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:

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

and all of the above were present except Directors Nguyen and Francis, thus constituting a quorum. Director Francis participated in the meeting via teleconference.

Also present at the meeting were Darce' Ahlschlager of Wheeler & Associates, Inc.; Amy Symmank 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"); Craig Rathmann of Rathmann & Associates, L.P.; Matthew May of Best Trash, LLC ("Best Trash"); and Robert A. Seale and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("AHBR").

MINUTES

The Board considered approving the minutes of the July 15, 2019, regular meeting. After review and discussion, Director Allen moved to approve the minutes of the July 15, 2019, regular meeting as submitted. Director Garza seconded the motion, which carried unanimously.

STATEMENTS AND QUESTIONS FROM THE PUBLIC

There were no statements or questions received from the public.

ACCEPT RESIGNATION OF DIRECTOR NGUYEN

Mr. Seale announced that Director Nguyen has submitted his resignation from the Board. Following discussion, Director Allen made a motion to (1) accept the resignation of Director Nguyen; (2) appoint Director Garza as Secretary and make no

changes to the remaining Board positions; and (3) authorize filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the resignation of Director Nguyen and the reorganization of the Board. Director Garza seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Symmank 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.

The Board considered amending the budget for the fiscal year ending March 31, 2020. Following discussion, the Board requested the bookkeeper change Projected Capital Expenses to \$600,000.

After review and discussion, Director Allen moved to (1) approve the bookkeeper's report, the investment report, and payment of the bills; and (2) amend the budget for the fiscal year ending March 31, 2020, as discussed. Director Garza seconded the motion, which passed unanimously.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy. Mr. Seale stated that no changes were recommended. Following review and discussion, Director Allen moved to adopt the Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed by unanimous vote.

REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Mr. Seale reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, noting that an updated list has been provided by the bookkeeper. Following review and discussion, Director Allen moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Ahlschlager reviewed the monthly tax report, a copy of which is attached. She stated the District's 2018 taxes are 98.99% collected as of July 31, 2019. 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 Allen moved to (1) approve the tax report and payment of the tax bills; and (2) approve the delinquent tax report. Director Knowles seconded the motion, which passed by unanimous vote.

DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Rathmann distributed and reviewed a tax rate analysis, a copy of which is attached. The Board then considered establishing a date for a public hearing on the adoption of the District's 2019 tax rate and authorizing publication of a notice of public hearing. Following review and discussion, Director Allen moved to authorize Wheeler & Associates, Inc., to publish notice of a public hearing to be held by the District on September 16, 2019, at the offices of ABHR to consider adoption of a 2019 tax rate of \$0.69 per \$100 of assessed valuation. The motion was seconded by Director Garza and carried unanimously.

WEBSITE MATTERS

The Board discussed website matters.

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 report 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. Fort 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, for mowing and maintenance of the District's detention and

drainage facilities, including the New Forest Town Center detention pond, in the total annual amount of \$121,813.00. Following review and discussion, Director Allen moved to approve the proposal from Champions in the annual amount of \$121,813.00. Director Garza seconded the motion, which passed unanimously.

GARBAGE COLLECTION AND RECYCLING SERVICES MATTERS

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

Mr. May reviewed correspondence from Best Trash, a copy of which is attached, regarding the District's annual automatic adjustment to the garbage and recycling rate for 2019. He stated that the CPI-U price adjustment will increase the District's garbage and recycling rate to \$16.26 per month per residence starting with the August 2019 billing cycle. Mr. May then stated that Best Trash is requesting an additional increase of \$1.49 per connection. After review and discussion, Director Allen moved to approve the additional increase in the amount of \$1.49 per connection, for a new monthly rate of \$17.75 per connection, effective with the August 2019 billing cycle. Director Garza seconded the motion, which passed by unanimous vote.

Mr. May requested the Board consider amending the Residential Solid Waste Collection Contract between the District and Best Trash (the "Contract") to amend the CPI-U calculation formula used for the annual automatic adjustment to the District's garbage and recycling rate. Mr. Seale then presented the First Amendment to the Contract. Following review and discussion, Director Knowles moved to approve the First Amendment to the Contract and direct that the Amendment be filed appropriately and retained in the District's official records. Director Allen seconded the motion, which passed by unanimous vote.

ENGINEER'S REPORT

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

WATER, SEWER AND DRAINAGE FACILITIES TO SERVE NEW FOREST PARKWAY, PHASE 1

Mr. Ehler gave an update on design of the water, sewer, and drainage facilities to serve New Forest Parkway, Phase 1. He requested that the Board approve plans and specifications and authorize advertisement for bids for the project.

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

Mr. Ehler 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, and the acquisition of necessary easements for the project.

WASTEWATER TREATMENT PLANT ("WWTP") NO. 2 ON-SITE LIFT STATION REHABILITATION

Mr. Ehler gave an update on construction of the WWTP No. 2 on-site lift station rehabilitation project. He stated that bids for the project will be received on September 11, 2019.

WWTP NO. 2 EXPANSION, INCLUDING TRIFURCATION

Mr. Ehler updated the Board on construction of the WWTP No. 2 expansion and stated he anticipates that final deficient items will be addressed within the next three weeks.

NEW FOREST TOWN CENTER LIFT STATION (LIFT STATION NO. 6)

Mr. Ehler updated the Board on construction of the New Forest Town Center lift station and stated the project is substantially complete. He noted that the required permit from the Texas Department of Transportation for the access road connection to the Beltway 8 feeder road has not yet been approved.

SANITARY AND STORM SEWER IMPROVEMENTS FOR BELTWAY 8/US 90 RESTRICTED RESERVE A&B, CONTRACT NO. 2

Mr. Ehler updated the Board on construction of sanitary and storm sewer improvements for Beltway 8/US 90 Restricted Reserve A&B, Contract No. 2 and stated that LJA issued the Notice to Proceed for the project today.

UTILITY COMMITMENT REQUESTS

Mr. Ehler discussed with the Board the status of the Service King Automotive Repair and Liberty Lakes Industrial Park.

Mr. Seale discussed one-year water and wastewater utility commitment requests from CSRP, Inc. ("CSRP") to serve the proposed Phases I and II multi-family developments located on the New Forest Town Center site, and he reviewed the utility commitment letters from the District to CSRP.

UPDATE ON BOND APPLICATION NO. 13

Mr. Ehler updated the Board on bond application no. 13. He requested the Board authorize MDS to complete a pre-inspection of facilities relevant to issuance of the Series 2019 Bonds and make appropriate repairs prior to the pre-purchase inspection by the TCEQ.

After review and discussion, Director Garza moved to (1) approve the engineer's report; (2) approve plans and specifications and authorize advertisement for bids for construction of the water, sewer, and drainage facilities to serve New Forest Parkway, Phase 1; (3) approve the utility commitment letters for Phases I and II multi-family developments to CSRP and direct that the letters be filed appropriately and retained in the District's official records; and (5) authorize MDS to complete a pre-inspection of facilities relevant to issuance of the Series 2019 Bonds and make appropriate repairs. Director Allen 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 Storm Water Pump No. 3 is in need of repair, and he reviewed a proposal from NEC, a copy of which is attached to the operator's report, in the amount of \$4,030.00 to repair the pump.

After review and discussion, Director Knowles moved to (1) approve the operations report; and (2) authorize NEC to repair Storm Water Pump No. 3 at a cost of \$4,030.00. Director Allen seconded the motion, which passed by unanimous vote.

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 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 Allen and passed by unanimous vote.

DISTRICT MEETING SCHEDULE

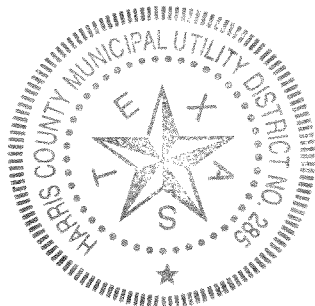
The Board concurred to hold its next regular meeting on Monday, September 16, 2019, at 6:30 p.m. at ABHR.

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

(SEAL)



Secretary, Board of Directors



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