

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

September 16, 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 16th day of September, 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
Rosario Garza	Secretary
Trina Francis	Assistant Vice President
Vacant	Assistant Secretary

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

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"); Les Griffin and T.J. Cloud of Champions Hydro-Lawn, Inc. ("Champions"); Kimberly Courte of Arthur J. Gallagher & Co.; Craig Rathmann of Rathmann & Associates, L.P.; and Robert A. Seale and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("AHBR").

MINUTES

The Board considered approving the minutes of the August 19, 2019, regular meeting. After review and discussion, Director Allen moved to approve the minutes of the August 19, 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.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Courte presented a proposal from W.I.N./Arthur J. Gallagher and Co. ("W.I.N.") for renewal of the District's insurance policies. Following review and discussion, Director Allen moved to accept the proposal for renewal of the District's

insurance policies from W.I.N. Director Knowles seconded the motion, which carried unanimously.

DISCUSS WATER EXPO CONFERENCE AND APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES

No Directors attended the Water Expo conference in August, 2019.

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. After review and discussion, Director Garza moved to approve the bookkeeper's report, the investment report, and payment of the bills. Director Allen 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 2018 taxes are 99.25% collected as of August 31, 2019. Ms. Ahlschlager requested Board authorization to write off delinquent tax accounts in the total amount of \$3,649.74 as uncollectible.

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; (2) authorize Wheeler & Associates, Inc., to write off delinquent accounts totaling \$3,649.74 as uncollectible; (3) approve the delinquent tax report; and (4) authorize the delinquent tax attorney to send water termination letters to delinquent tax accounts with a payment or response deadline of October 21, 2019. Director Garza seconded the motion, which passed by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Ahlschlager stated that Wheeler and Associates, Inc., published a Notice of Public Hearing stating that the District anticipates levying a total tax rate of \$0.69 per \$100 of assessed valuation at this meeting. Director Knowles then opened the public hearing. No members of the public came forward to make comments. Director Knowles then closed the public hearing.

Mr. Seale presented to the Board an Order Levying Taxes for 2019 reflecting a total tax rate of \$0.69 per \$100 of assessed valuation, comprised of \$0.46 for debt service and \$0.23 for operations and maintenance. Mr. Seale next presented to the Board an Amendment to Information Form reflecting the 2019 tax rate. The Board confirmed its intention that the 2019 tax levy includes a debt service component for the calendar year ending December 31, 2020, and a maintenance tax component for the fiscal year ending March 31, 2020. After review and discussion, Director Allen moved to adopt the Order Levying Taxes as presented, approve and authorize execution of the Amendment to Information Form, and direct that the Order and the Amendment be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed unanimously.

#### WEBSITE MATTERS

Mr. Seale reported that new language regarding directors elections, which is now required to be included on municipal utility district websites, has been posted on the District's website.

Ms. Panozzo reported that Joe Hallmark, the District's website manager, has offered to attend a future Board meeting. Following discussion, the Board requested that Mr. Hallmark coordinate his attendance at a future Board meeting with Director Francis.

#### 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. Griffith reviewed the Detention and Drainage Facilities Report from Champions, a copy of which is attached.

## 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.

## ENGINEER'S REPORT

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

## AUTHORIZE DESIGN OF FACILITIES IN THE SERVICE AREA

Mr. Ehler requested the Board's authorization to prepare plans and specifications for the following facilities: (1) detention pond and storm water pump station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; (2) water, sanitary sewer and drainage facilities to serve Beltway 8/US 90 Commercial Subdivision Tract 5; (3) lift station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; and (4) water, sanitary sewer and drainage facilities to serve Beltway 8/US 90 Commercial Subdivision Tracts 4 & 6.

## 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 reviewed the bid tabulation for construction of the WWTP No. 2 on-site lift station rehabilitation project, a copy of which is attached to the engineer's report. He recommended that the Board award the contract to the lowest bidder, Pioneer Construction Services, LLC ("Pioneer"), in the total bid amount of \$117,500.00. Based on the engineer's recommendation, the Board determined that, in its judgment, Pioneer would be most advantageous to the District and would result in the best and most economical completion of the project.

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

Mr. Ehler gave an update on construction of the water, sewer and drainage facilities to serve New Forest Parkway, Phase 1. He stated that advertisement for bids for the project will be delayed until land at the southwest corner of the tract is sold.

## 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 satisfactorily addressed by the end of October, 2019.

## 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 AND 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 and B, Contract No. 2. He stated that the project is substantially complete and the Texas Commission on Environmental Quality ("TCEQ") inspection of the facilities is scheduled for September 17, 2019.

## UTILITY COMMITMENT REQUESTS

Mr. Ehler discussed with the Board the status of the proposed Phases I and II multi-family developments located on the New Forest Town Center site, Service King Automotive Repair, Liberty Lakes Industrial Park, and Panda Express.

Discussion ensued regarding a request for out-of-District utility service for a church located in Harris County Municipal Utility District No. 431 (the "Church"). Following discussion, the Board requested that LJA provide an estimate of capital costs for out-of-District utility service to the Church.

After review and discussion, based on the engineer's recommendations, Director Garza moved to (1) approve the engineer's report; (2) authorize LJA to prepare plans and specifications for the following facilities: (a) detention pond and storm water pump

station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; (b) water, sanitary sewer and drainage facilities to serve Beltway 8/US 90 Commercial Subdivision Tract 5; (c) lift station to serve Beltway 8/US 90 Commercial Subdivision Tract 5; and (d) water, sanitary sewer and drainage facilities to serve Beltway 8/US 90 Commercial Subdivision Tracts 4 & 6; and (3) award the contract to the lowest bidder, Pioneer, in the total bid amount of \$117,500.00 for construction of the WWTP No. 2 on-site lift station rehabilitation project subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Allen seconded the motion, which passed by unanimous vote.

#### UNLIMITED TAX BONDS, SERIES 2019

Mr. Rathmann discussed the District's \$2,900,000 Unlimited Tax Bonds, Series 2019 ("Series 2019 Bonds").

Mr. Rathmann discussed engaging Moody's Investors Services to perform a credit rating analysis for the Series 2019 Bonds. After discussion, Director Allen moved to approve the engagement of Moody's Investors Services to perform a credit rating analysis for the Series 2019 Bonds. Director Garza seconded the motion, which passed unanimously.

Mr. Rathmann reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2019 Bonds. Following review and discussion, Director Allen moved to approve the Preliminary Official Statement and Official Notice of Sale. Director Garza seconded the motion, which carried unanimously.

The Board considered appointing The Bank of New York Mellon Trust Company, N.A. ("BONY") as the Paying Agent/Registrar for the Series 2019 Bonds. Following discussion, Director Allen moved to appoint BONY as the Paying Agent/Registrar for the Series 2019 Bonds. Director Garza seconded the motion, which passed by unanimous vote.

The Board considered authorizing the District's financial advisor to advertise and schedule the sale of the Series 2019 Bonds. Following discussion, Director Allen moved to authorize the District's financial advisor to advertise and schedule the sale of the Series 2019 Bonds for Monday, October 21, 2019, at 6:30 p.m. The motion was seconded by Director Garza and carried unanimously.

Mr. Ehler confirmed that LJA has requested the TCEQ inspection of all facilities relevant to issuance of the Series 2019 Bonds.

Mr. Seale stated that the District's tax assessor/collector will need to request a Certificate of Assessed Value as of January 1, 2019, from the Harris County Appraisal

District ("HCAD") in connection with the Series 2019 Bonds. Following discussion, Director Allen moved to authorize the tax assessor/collector to request a Certificate of Assessed Value as of January 1, 2019, from Harris County Appraisal District. Director Garza seconded the motion, which passed by unanimous vote.

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("MGSB") to prepare the developer reimbursement report for the Series 2019 Bonds. After discussion, Director Allen moved to authorize MGSB to prepare the developer reimbursement report. Director Garza seconded the motion, which carried unanimously.

#### 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.

He reviewed a letter from the TCEQ regarding approval of the updated Emergency Preparedness Plan, a copy of which is included in the operations report.

After review and discussion, Director Allen moved to approve the operations report. Director Garza 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 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.

#### RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR HCAD

Mr. Seale discussed the process for casting the District's vote for a conservation and reclamation district nominee to appear on the ballot in the HCAD Board of Directors election. After review and discussion, Director Allen moved to adopt a Resolution Nominating a Candidate for a Position on the Board of Directors of HCAD

to cast the District's vote for Glenn E. Peters and direct that the Resolution be filed appropriately and retained in the District's official records. Director Knowles seconded the motion, which carried by unanimous vote.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Mr. Seale reviewed an Annual Report containing updated financial information and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. He stated that the District is required to file certain financial information and operating data with the Municipal Securities Rulemaking Board through EMMA in compliance with SEC Rule 15c2-12. Following review and discussion, Director Allen moved to (1) approve the Annual Report and direct that the Annual Report be filed appropriately and retained in the District's official records; and (2) authorize ABHR to submit the Annual Report in compliance with the continuing disclosure provisions contained in the District's bond resolutions. Director Knowles seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Seale stated that no changes are required at this time.

AUTHORIZE PREPARATION OF APPLICATION TO THE TCEQ FOR ACQUISITION OF ROAD POWERS

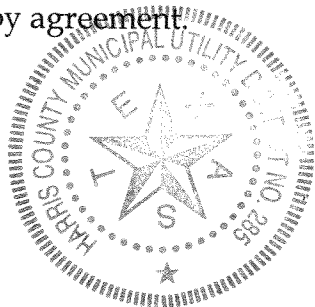
The Board considered authorizing the District's consultants to prepare an application to the TCEQ for approval of road powers. Following discussion, Director Allen moved to authorize the District's consultants to prepare an application to the TCEQ for approval of road powers. Director Garza seconded the motion, which passed by unanimous vote.


DISTRICT MEETING SCHEDULE

The Board concurred to hold its next regular meeting on Monday, October 21, 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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