

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

October 21, 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 21st day of October, 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"); Austin Muse 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.; and Robert A. Seale, Aaron N. Carpenter, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("AHBR").

MINUTES

The Board considered approving the minutes of the September 16, 2019, regular meeting. After review and discussion, Director Allen moved to approve the minutes of the September 16, 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.

SERIES 2019 UNLIMITED TAX BONDS

Mr. Rathmann discussed the District's \$2,900,000 Unlimited Tax Bonds, Series 2019 ("Series 2019 Bonds"). He reviewed a report from Moody's Investors Service ("Moody's"), a copy of which is attached, and stated that Moody's assigned an initial A2 rating to the Series 2019 Bonds.

REVIEW BIDS AND AWARD SALE OF THE SERIES 2019 BONDS

Mr. Rathmann stated that the District received five bids for the Series 2019 Bonds. A copy of the bid summary is attached. Mr. Rathmann stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 2.942863%, which was submitted by Robert W. Baird & Co., Inc. ("Baird"). Mr. Rathmann stated that a good faith check was submitted by Baird as required. After review and discussion, Director Allen moved to award the sale of the District's Series 2019 Bonds to Baird. Director Garza seconded the motion, which passed by unanimous vote.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2019 BONDS

Mr. Seale reviewed the Resolution Authorizing Issuance of the District's Series 2019 Bonds. He explained that the document sets forth, among other things, the terms and conditions of issuance and delivery of the Series 2019 Bonds, the payment of principal and interest over the life of the Series 2019 Bonds, and certain District covenants regarding the tax-exempt status of interest on the Series 2019 Bonds. After review and discussion, Director Allen moved to adopt the Resolution Authorizing Issuance of the District's Series 2019 Bonds and direct that the Resolution be filed appropriately and retained in the District's official records. Director Knowles seconded the motion, which was approved by unanimous vote.

PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered approval and execution of the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Mr. Seale stated that the agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of principal and interest on the District's Series 2019 Bonds. After review and discussion, Director Allen moved to approve and execute the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. and direct that the Agreement be filed appropriately and retained in the District's official records. Director Knowles seconded the motion, which carried unanimously.

OFFICIAL STATEMENT

Mr. Seale explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates, and debt service requirements. After discussion, Director Allen moved to approve the Official Statement and direct that the Official Statement be filed appropriately and retained in the

District's official records. Director Knowles seconded the motion, which was approved by unanimous vote.

CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Mr. Seale presented a Certificate Regarding Provision of Financial Advice related to the Series 2019 Bonds. After review and discussion, Director Allen moved to approve the Certificate Regarding Provision of Financial Advice related to the Series 2019 Bonds and direct that the Certificate be filed appropriately and retained in the District's official records. Director Knowles seconded the motion, which passed by unanimous vote.

AUTHORIZE THE BOARD OF DIRECTORS TO EXECUTE ALL DOCUMENTS RELATING TO THE BOND SALE AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO PURCHASER

Mr. Seale stated that it will be necessary for the President and the Secretary of the Board to sign documents relating to the sale of the Series 2019 Bonds, and for ABHR to submit a transcript of the bond proceedings to the Attorney General of Texas. He added that ABHR and the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser. After discussion, Director Allen moved to authorize the President and Secretary to sign the documents relating to the bond sale and to authorize the attorney and financial advisor to take all necessary action to deliver the bonds to the purchaser. Director Knowles seconded the motion, which passed by unanimous vote.

APPROVE CHECK TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

The Board considered approving a check in the amount of \$2,900.00 to the Attorney General for the Series 2019 Bonds transcript review. After discussion, Director Allen moved to authorize execution of a check to the Attorney General in the amount of \$2,900.00 for bond transcript review. Director Knowles seconded the motion, which was approved by unanimous vote.

AMENDMENT TO INFORMATION FORM

Mr. Seale stated that the Texas Water Code requires the District to file an Amendment to Information Form with Harris County and the Texas Commission on Environmental Quality ("TCEQ") in order to reflect the amount of bonds issued by the District. He then reviewed the Amendment to Information Form with the Board. After review and discussion, Director Allen moved to authorize execution of the Amendment to Information Form and direct that the Amendment be filed appropriately and

retained in the District's official records. Director Knowles seconded the motion, which passed by unanimous vote.

UPDATE ON TCEQ INSPECTION OF FACILITIES

Mr. Ehler stated the pre-purchase inspection by the TCEQ was completed on October 15, 2019, and that no deficiencies were identified.

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 Allen moved to approve the bookkeeper's report, the investment report, and payment of the bills. 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 2018 taxes are 99.32% collected as of September 30, 2019.

The Board then reviewed the delinquent tax report prepared by Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached. Ms. Ahlschlager reported that Perdue received a response to a water termination letter from the owner of property in the District at 160 E Forest Lane. She stated the property owner sent the 2018 property tax payment to MDS in March, 2019. Following discussion, the Board concurred to collect penalty and interest on the 2018 delinquent tax account for the property at 160 E Forest Lane accumulated through March, 2019.

After review and discussion, Director Allen moved to (1) approve the tax report and payment of the tax bills; (2) approve the delinquent tax report; and (3) authorize the delinquent tax attorney to proceed with procedures for terminating water service for delinquent tax accounts. Director Garza seconded the motion, which passed by unanimous vote.

WEBSITE MATTERS

There was no discussion on website matters.

SECURITY SERVICES REPORT

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

Director Allen reported that the Sheriff is seeking free storefront space in the District for a Sheriff's office.

Mr. Seale reported that the Harris County Commissioners Court approved a 4.9% increase in the annual cost for contract law enforcement services, beginning March 1, 2020.

DEVELOPMENT IN THE DISTRICT

There was no report on development in the District.

NCWA REPORT INCLUDING ADOPT RESOLUTION APPOINTING DESIGNATED BOARD MEMBER TO NCWA

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

The Board reviewed a Resolution Appointing Designated Board Member to NCWA. After review and discussion, Director Allen moved to adopt the Resolution Appointing Designated Board Member to NCWA reflecting the District's appointment of Arthur Marshall 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.

DETENTION FACILITIES REPORT

Mr. Fort reviewed the Detention and Drainage Facilities Report from Champions, a copy of which is attached. He reported the New Forest Pond is not draining properly, and he recommended that the pond be desilted and re-graded. Following review and discussion, the Board requested Mr. Fort present a proposal to desilt and re-grade the New Forest Pond next month.

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

APPROVE PLANS AND SPECIFICATION AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR CONSTRUCTION OF FACILITIES IN THE SERVICE AREA

Mr. Ehler gave an update on design of the following projects: (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. He recommended that the District proceed with the condemnation process to obtain the easements if the landowners do not commit to conveying the necessary easements by October 31, 2019.

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.

WASTEWATER TREATMENT PLANT ("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 November, 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 with the exception of the required permit from the Texas Department of Transportation for the access road connection to the Beltway 8 feeder road.

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 and stated that the project is complete. He recommended approval of Pay Estimate No. 1 to Bay Utilities, Inc., in the amount of \$47,113.35

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.

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

Mr. Seale reviewed a Consent to Encroachment for installation of a driveway to connect to Uvalde Road and a parking lot for the New Forest Town Center multi-family development, Phase I. He noted that until CSRP, Inc., closes on the land acquisition for the development, the fully-executed Consent to Encroachment will be held in escrow by the title company and recorded in Harris County records following the closing.

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.

Mr. Ehler reported that the church located in Harris County Municipal Utility District No. 431 is no longer seeking utility service from the District.

After review and discussion, based on the engineer's recommendations, Director Allen moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 1 to Bay Utilities, Inc., in the amount of \$47,113.35 for construction of sanitary and storm sewer improvements for Beltway 8/US 90 Restricted Reserve A and B, Contract No. 2; and (3) approve and authorize execution of the Consent to Encroachment for the New Forest Town Center multi-family development, Phase I and direct that it be held in escrow by the title company until CSRP, Inc., closes on the land acquisition for the development. Director Garza seconded the motion, which passed by unanimous vote.

OPERATIONS REPORT

Mr. Muse 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. Muse reviewed a letter to the TCEQ, a copy of which is attached to the operations report, requesting a 120-day extension for completion of the Supplemental Environmental Project.

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. Muse 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.

ROAD POWERS ACQUISITION MATTERS

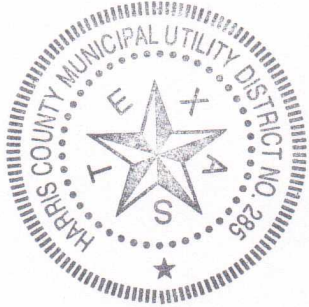
Mr. Seale reviewed a Petition to the TCEQ for the Acquisition of Road Powers (the "Petition") and a Resolution Authorizing Application to the TCEQ for Approval of Road Powers (the "Resolution"). Following review and discussion, Director Allen moved to approve the Petition, adopt the Resolution, authorize the District's consultants to submit an application for the acquisition of road powers to the TCEQ, and direct that such documents be filed appropriately and retained in the District's official records. Director Garza seconded the motion, which passed by unanimous vote.

DISTRICT MEETING SCHEDULE

The Board concurred to hold its next regular meeting on Monday, November 18, 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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