

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286**

Minutes of Board of Directors Meeting

January 10, 2024

ACTIONS TAKEN

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1. The Board approved the minutes of the December 4, 2023, meeting.
2. The Board approved the request for a variable fuel charge from Texas Pride Disposal and approved an Amendment to Residential Solid Waste Collection Contract between the District and Texas Pride relative to same.
3. The Board approved the audit report for the fiscal year ended September 30, 2023, authorized the President to execute the Annual Filing Affidavit, and authorized the filing of the audit report and Annual Filing Affidavit with the appropriate governmental authorities.
4. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
5. The Board adopted a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes and authorized Perdue, Brandon, Fielder, Collins & Mott, LLP to proceed with the collection of the District's 2024 delinquent personal property accounts, including the filing of lawsuits, as necessary.
6. The Board approved the Operations and Maintenance Report presented by EDP.
7. The Board approved an invoice from TMS in the amount of \$29,700.
8. The Board approved the Engineering Report presented by Eby Engineers, Inc.
9. The Board approved the Bookkeeper's Report as presented by Claudia Redden & Associates, L.L.C., including the checks presented for payment.

The Board of Harris County Municipal Utility District No. 286 ("District") met in regular session at 13850 Cutten Road, Houston, Harris County, Texas 77069 on January 10, 2024, in accordance with the duly posted notice of meeting, and the roll was called of the officers and members of said Board of Directors, as follows:

David Geaslen, President  
Michael Rhodes, Vice President  
Steve Garner, Secretary  
Rosalind Theriot, Assistant Secretary  
Becky Campbell, Assistant Secretary

All of said persons were present, therefore constituting a quorum.

Also present were Kelly Trebing of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Eric Thiry of Environmental Development Partners, L.L.C. ("EDP"); Roshell Arterburn of Utility Tax Service, L.L.C. ("UTS"); Mark Eyring of Mark C. Eyring, CPA, PLLC ("Eyring"); Jessica Richardson of Texas Pride Disposal ("Texas Pride"); Deputy David Angstadt of Harris County Sheriff's Office ("HCSO"); and Kara Richardson of Marks Richardson PC ("MRPC").

The President called the meeting to order.

#### **APPROVAL OF MINUTES**

As the first order of business, the Board considered approval of the minutes of the Board of Directors meeting held on December 4, 2023. After discussion, Director Theriot made a motion to approve the minutes of the December 4, 2023, Board of Directors meeting, as presented. Director Campbell seconded the motion, which carried unanimously.

#### **STATUS OF PROPOSED CONTRACT WITH HARRIS COUNTY SHERIFF'S OFFICE**

The Board next considered the status of the proposed contract with the Harris County Sheriff's Office ("HCSO"), the status of off-duty patrol services in December, and the status of security monitoring services within the District. Deputy Angstadt stated that Deputy Banda will attend next month's meeting to report on contract patrol services as he is the deputy assigned to the District's contract. He stated that the District's patrol contract is off the ground and running. He stated that the patrol contract went into effect on December 31, 2023 so there is not much data yet. The Board noted that it has seen patrol presence in the District and is happy with the visibility. Director Theriot suggested sending a text letting residents know of the change from Harris County Constable's Office to HCSO.

The Board noted that there was nothing new to report regarding security monitoring services.

## **COMMENTS FROM THE PUBLIC**

The Board deferred comments from the public, as no members of the public were present.

## **STATUS OF SOLID WASTE COLLECTION SERVICES**

The Board next considered the status of solid waste collection services by Texas Pride Disposal, including the review and approval of a request for variable fuel charge and an Amendment to Residential Solid Waste Collection Contract. Ms. Jessica Richardson presented the attached correspondence from Texas Pride, (**Exhibit A**) and reviewed same with the Board. She stated that Texas Pride is implementing a variable fuel charge to recover some of the increasing costs of fuel. She stated that the fuel charge would kick in when fuel increases over \$3.00 per gallon with the current base rate increasing by 1% for each \$0.25 increase in the price of diesel fuel over \$3.00/gallon with such average to be determined by the U.S.E.I.A. published monthly rates for [“Diesel – All Types” for the Gulf Coast](#). She noted that the surcharge would go away when the price of diesel fuel drops below \$3.25/gallon. She advised the Board that the implementation of the charge is scheduled to begin January 1, 2024, and requested the approval of an Amendment to the Residential Solid Waste Collection Contract regarding same. After discussion, Director Theriot made a motion to approve the request for a variable fuel charge, approve an Amendment to Residential Solid Waste Collection Contract between the District and Texas Pride, and to authorize the President to execute same on behalf of the Board and the District. Director Rhodes seconded the motion, which unanimously carried. Ms. Jessica Richardson exited the meeting at this time.

## **APPROVE AUDIT REPORT**

The Board next considered approval of an audit report for fiscal year ended September 30, 2023. Mr. Eyring presented a draft of the audit report and correspondence regarding the report (**Exhibit B**). After discussion, Director Theriot made a motion to approve the audit report for the fiscal year ended September 30, 2023, subject to review by MRPC, to authorize the President to execute the Annual Filing Affidavit on behalf of the Board and District, and to file the audit report and Annual Filing Affidavit with the appropriate governmental authorities, including the TCEQ and the Texas Comptroller of Public Accounts. Director Rhodes seconded the motion, which carried unanimously.

## **TAX ASSESSOR-COLLECTOR REPORT**

The Board next considered the Tax Assessor-Collector Report. Ms. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit C**) dated December 31, 2023. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Rhodes made a motion to approve the Tax Assessor-Collector Report as presented, to approve the checks identified in the report for payment and to approve moving the list of subject accounts to uncollectible. Director Theriot seconded the motion, which carried unanimously.

## **RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES**

The Board next considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, (**Exhibit D**). Ms. Richardson advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the delinquent personal property taxes due to the District that became delinquent on or after February 1 of a year and that remain delinquent sixty (60) days after the date on which they become delinquent. After discussion, Director Garner made a motion to adopt the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes and to authorize Perdue, Brandon, Fielder, Collins & Mott, LLP to proceed with the collection of the District's 2024 delinquent personal property accounts following proper notice as provided in the Resolution, including the filing of lawsuits, as necessary. Director Theriot seconded the motion, which carried unanimously.

## **OPERATIONS REPORT**

The Board next considered the Operations and Maintenance Report (**Exhibit E**).

Mr. Thiry reported on the remaining amounts to be paid by the Federal Emergency Management Agency ("FEMA") totaling approximately \$150,000. He stated that EDP has provided FEMA with all additional requested information to support the additional amounts owed to the District but has not yet received a response. Director Geaslen stated that he was advised by TDEM that the District should expect to hear back from FEMA by early summer.

Mr. Thiry reported that the water main valve repairs are in progress.

Mr. Thiry reported that the manhole survey repairs are nearing completion with six (6) manholes remaining to be located. Director Geaslen asked whether EDP dug up the concrete behind the house on Cypresswood Trail in order to pinpoint the exact location of the manhole. Mr. Thiry stated that EDP has not yet completed the work.

Mr. Thiry reported on the repair of the two-inch (2") airline clarifier no. 1 at the WWTP. He stated that the work is in progress.

Mr. Thiry reported that there are several errors on the consumption report that need to be corrected. He stated that a couple of the water meters are reflected in two (2) places on the report and showing different usages. Mr. Thiry stated that the billings are correct for those accounts but the spreadsheet is incorrect.

Mr. Thiry reported that EDP is preparing the District's facilities for the upcoming freezing temperatures next week.

Director Geaslen stated that he has various questions on the invoice. Mr. Thiry stated that he will have Mr. Cardenas contact him regarding the matter.

After discussion, Director Rhodes made a motion to approve the Operations and Maintenance Report, as presented. Director Campbell seconded the motion, which carried unanimously.

### **STATUS OF CONSTRUCTION CONTRACT WITH CANYON CONSTRUCTION**

The Board next considered the status of the construction contract with Canyon Construction for the Waterline Lowering Under Faulkey Gully project. Mr. Eby stated that the notice to proceed was issued on January 8, 2023 and the pre-construction meeting will be held tomorrow. He stated that the forty-five (45) day contract should begin next week.

### **STATUS OF CONSTRUCTION CONTRACT WITH TMS**

The Board next considered the status of the construction contract with TMS for the Sanitary Sewer Line Rehabilitation, Phase 1 project. Mr. Eby stated that the construction is complete. He then presented an invoice from TMS in the amount of \$29,700.00 and recommended payment of same. After discussion, Director Garner made a motion to approve payment of the invoice from TMS in the amount of \$29,700.00. Director Campbell seconded the motion, which unanimously carried.

### **ENGINEERING REPORT**

The Board next considered the Engineering Report (**Exhibit F**).

Mr. Eby reviewed the Water Plant No. 1 monthly checklist for the months of November and December from Patriot Production & Rental Services, LLC ("Patriot") along with the related invoices and recommended payment of same. He stated that he will verify with EDP that they are meeting with the representative from Patriot on site each time.

Mr. Eby next reviewed two (2) invoices for the park, including the replacement of lights for the gazebo and the installation of the tables and benches and recommended payment of same. He stated that he will release payment following the meeting.

Mr. Eby reported that there is rust on the monkey bars of the rear playscape, and the joints are rusty. He stated that he would like to get a painter to remove the rust and then repaint the areas. Mr. Eby stated that he will obtain a quote for the Board's review at the next meeting.

Mr. Eby reported that there is a meeting tomorrow morning with a contractor at the CCI buildings 8 and 9 regarding the segregation of utilities. He stated that he plans to attend the meeting.

After discussion, Director Garner made a motion to approve the Engineering Report. Director Rhodes seconded the motion, which carried unanimously.

## **BOOKKEEPING REPORT**

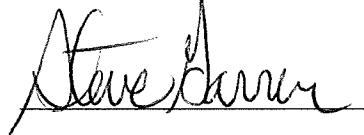
The Board next considered the Bookkeeper's Report. Ms. Trebing reviewed the Bookkeeping Report (**Exhibit G**), including the checks presented for payment. Director Geaslen asked her to make a note that \$8,600 of the operator's bill should come from the capital account as that was the cost of the blower replacement project. He stated that the costs for the rehabilitation project including construction costs, engineering and the work that EDP completed which totaled approximately \$4,400, should also come from the capital account. The Board then also agreed that the park amenity costs should be paid out of the capital account. After discussion, Director Theriot made a motion to approve the Bookkeeper's Report, including the checks presented for payment and authorized the investments as discussed above. Director Rhodes seconded the motion, which carried unanimously.

## **ITEMS FOR FUTURE AGENDAS**

The Board next considered matters for possible placement on future agendas.

## **ADJOURNMENT OF BOARD MEETING**

There being no further business to come before the meeting, it was adjourned.

A handwritten signature in cursive script, appearing to read "Steve Harris", written over a horizontal line.

Secretary, Board of Directors

**LIST OF EXHIBITS**

January 10, 2024

- Exhibit A Texas Pride handout
- Exhibit B Draft Audit
- Exhibit C Tax Assessor Collector's Report
- Exhibit D Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E Operator's Report
- Exhibit F Engineering Report
- Exhibit G Bookkeeping Report