

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 286

Minutes of Board of Directors Meeting

April 1, 2024

ACTIONS TAKEN

1. The Board approved the minutes of the March 4, 2024, meeting.
2. The Board approved the Tax Assessor-Collector's Report as presented by Utility Tax Service L.L.C., including the checks presented for payment.
3. The Board adopted a Resolution Authorizing an Additional Penalty on Delinquent Taxes.
4. The Board authorized Inframark to proceed with televising of the sanitary sewer line.
5. The Board authorized Inframark to make repairs to the fifteen (15) fire hydrants at a cost of \$2,825.
6. The Board authorized Director Rhodes to act on behalf of the Board and the District to approve a quote to repair the offsite well damages on an emergency basis.
7. The Board approved the Operations and Maintenance Report presented by Inframark.
8. The Board authorized the Operator to prepare a draft Consumer Confidence Report.
9. The Board approved payment of Pay Application No. 2 to Canyon Construction in the amount of \$107,525 for the Waterline Lowering Under Faulkey Gully project.
10. The Board approved the Engineering Report presented by Eby Engineers, Inc.
11. The Board adopted the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.
12. 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 April 1, 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, except Director Garner, therefore constituting a quorum.

Also present were Claudia Redden of Claudia Redden & Associates L.L.C.; Dennis Eby of Eby Engineers, Inc. ("Eby"); Jeff Cotten of Inframark; Mike Arterburn of Utility Tax Service, L.L.C. ("UTS"); Deputy Cousin of Harris County Sheriff's Office ("HCSO"), resident; 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 March 4, 2024. After discussion, Director Theriot made a motion to approve the minutes of the March 4, 2024, Board of Directors meeting, as presented. Director Campbell seconded the motion, which carried unanimously.

STATUS OF SECURITY SERVICES WITH HARRIS COUNTY SHERIFF'S OFFICE

The Board next considered the status of security services with the HCSO. Deputy Cousins discussed the activity within the District for the past month.

The Board next considered the status of security monitoring services. Director Rhodes stated that the audio is still not working at the park but there is currently a work order in for the repair.

COMMENTS FROM THE PUBLIC

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

TAX ASSESSOR-COLLECTOR REPORT

The Board next considered the Tax Assessor-Collector Report. Mr. Arterburn presented the attached Tax Assessor-Collector Report (**Exhibit A**) dated February 29, 2024. The Board reviewed the total receivables, the cash balance, disbursements, and checks as reflected in the report. After discussion of the report, Director Theriot 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 Rhodes seconded the motion, which carried unanimously.

RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT TAXES

Ms. Richardson next advised the Board that pursuant to Section 33.07 of the Tax Code, as amended, the Board is authorized to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due to the District on July 1 on taxes that remain delinquent as of July 1 of the year in which they become delinquent. After discussion, Director Rhodes made a motion to adopt the Resolution Authorizing Additional Penalty on Delinquent Taxes (**Exhibit B**). Director Campbell seconded the motion, which carried unanimously.

OPERATIONS REPORT

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

Mr. Cardenas reported on the remaining amounts to be paid by the Federal Emergency Management Agency (“FEMA”) totaling approximately \$150,000. He stated that Inframark has provided FEMA with all additional requested information to support the additional amounts owed to the District and is awaiting further instruction or payment.

Mr. Cardenas 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. Cardenas reported that the manhole survey repairs are ninety-eight percent (98%) complete. He then reported on the buried manhole located behind the house on Cypresswood Trail and stated that Inframark hand-delivered the correspondence and Consent to Encroachment and Indemnity Agreement to Bui Dien and Vu Rose, owners of the property, but have not yet received the executed Consent.

Mr. Cardenas reported that the water main valve repairs are ninety percent (90%) complete. He stated that one of the repairs will shut down water to one of the Lone Star buildings so Inframark would like to complete the work after-hours. Mr. Eby stated that he may have a solution to that and that he will work with Inframark to coordinate same.

Director Geaslen then asked if an additional camera is being installed at the Water Plant. Mr. Cotten stated that a camera is not being installed yet but will be after the repairs are complete.

Mr. Cardenas next reported on the status of the WWTP following the Mexcor incident on February 6, 2024. He stated that the facility is back to normal operations. Mr. Cardenas stated that Inframark is waiting on the last invoice from MagnaFlow and then will add to the expenses incurred to be sent to Mexcor. Mr. Cardenas stated that Mexcor accepted responsibility for the incident. Mr. Eby stated that the sanitary sewer line may need to be televised to ensure there is no damage. He stated that he is concerned as to what Mexcor may have been putting in the sewer

line and that televising would be a precautionary measure. After discussion, Director Rhodes authorized Inframark to proceed with televising of the sanitary sewer line. Director Theriot seconded the motion, which unanimously carried.

Mr. Cardenas reported that Inframark performed hydrant flow testing and inspections for hydrants in the District. He stated that one (1) fire hydrant was found to be inoperable, and fifteen (15) need minor repairs. Mr. Cardenas stated that the estimated cost for the minor repairs is \$2,825. After discussion, Director Rhodes made a motion to authorize Inframark to make repairs to the fifteen (15) fire hydrants at a cost of \$2,825. Director Theriot seconded the motion, which unanimously carried. Mr. Cardenas stated that the paint is faded and that he will bring proposals to repaint the fire hydrants for the Board's review at next month's meeting.

Mr. Cardenas reported that an insurance claim has been started and all expenses are being tracked relative to the theft and offsite well damage that occurred on March 3, 2024. He then presented a quote from Neil Technical Services ("NTS") in the amount of \$122,800 to repair the damages. Director Geaslen requested that Inframark obtain additional proposals for the repair work. After discussion, Director Theriot made a motion to authorize Director Rhodes to act on behalf of the Board and the District to approve a quote to repair the damages on an emergency basis and to authorize MRPC and Eby to prepare an application to the Texas Commission on Environmental Quality ("TCEQ") relative to same. Director Campbell seconded the motion, which unanimously carried. The Board then discussed asking CenterPoint Energy to move the service line inside the facility. Mr. Eby agreed to research the matter.

The Board next considered the annual report on the District's Identity Theft Prevention Program. Mr. Thiry noted that there are no identify theft issues to report.

Mr. Cardenas reported that violations following the Mexcor excursion have been reported to the TCEQ.

Mr. Cardenas stated that the HOA is still listed on the delinquent list and that he spoke with a representative of the HOA who is aware of the bill. He stated that the HOA informed him that they are dealing with it internally. Mr. Cardenas stated that he will continue to monitor the issue.

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

CONSUMER CONFIDENCE REPORT

The Board next considered authorizing the operator to prepare a draft Consumer Confidence Report. After discussion, Director Campbell made a motion to authorize the operator to prepare a draft Consumer Confidence Report for review by the Board. Director Theriot seconded the motion, which carried unanimously.

IDENTITY THEFT PREVENTION PROGRAM

The Board next noted that the District's Identity Theft Prevention Program was discussed under the operations and maintenance report.

ADOPTION OF INDUSTRIAL WASTE ORDER

The Board next considered the adoption of an Industrial Waste Order. Ms. Richardson stated that her firm has a form but she recommends that outside counsel review and update the form to ensure that it complies with current law. The Board authorized Ms. Richardson to select an attorney to review same.

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 reviewed photos of the construction progress and noted that the construction is complete. Mr. Eby next presented Pay Application No. 2 in the amount of \$107,525 and recommended payment of same. After discussion, Director Rhodes made a motion to approve Pay Application No. 2 in the amount of \$107,525. Director Theriot seconded the motion, which unanimously carried.

ENGINEERING REPORT

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

Mr. Eby reviewed the Water Plant No. 1 monthly checklist for the month of March from Patriot Production & Rental Services, LLC along with the related invoice and recommended payment of same.

Mr. Eby next presented a site plan for the proposed pickleball court at Lakewood Crossing Park. He stated that he will submit the plans to the Harris County Flood Control District for review. Mr. Eby stated that the estimate of costs for the construction and engineering is \$62,000.

Mr. Eby next reported on the status of preparation of the Geographic Information System by RG Miller. He stated that RG Miller has started putting the GIS together and noted that it will take several months to complete.

Mr. Eby next discussed the incident at the WWTP involving Mexcor. He stated that he emailed Mexcor's engineer to let him know what the District needs to inspect and also that the District needs a letter describing the intended use of the property. Mr. Eby stated that Mexcor bought all of the remaining HP buildings, and they are using them for storage right now. Mr. Eby reminded the Board that he sent HP a letter in 2021 granting a set amount of capacity to HP or its subsequent purchaser for a period of five (5) years as long as the property does not lay dormant. He stated that the property use is basically dormant now because they are only using it for storage. Mr. Eby stated that he has not heard from the engineer in a couple of weeks but will follow up to let them know they need to respond or water termination could follow.

Mr. Eby stated that he is working with Inframark on the Lead and Copper rule revisions database which is due in October.

Director Campbell asked if Eby received a quote for painting the playscape. Mr. Eby stated that he has not yet received a quote for same.

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

ANNUAL REVIEW OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board next considered the annual review of the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects. After discussion, Director Rhodes made a motion to adopt the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects (**Exhibit E**) based on the Department of Labor rates for Harris County projects. Director Theriot seconded the motion, which carried unanimously.

ADOPT AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

The Board next deferred adoption of an Amended and Restated Drought Contingency Plan until next month's meeting.

BOOKKEEPING REPORT

The Board next considered the Bookkeeper's Report. Ms. Redden reviewed the Bookkeeping Report (**Exhibit F**), including the checks presented for payment. She also presented a Certificate of Bond Proceeds Form for Bank of Texas and recommended approval and execution of same. After discussion, Director Geaslen made a motion to approve the Bookkeeper's Report, including the checks presented for payment and authorized the investments as discussed above, to approve the Certificate of Bond Proceeds for Bank of Texas, and to authorize the President to execute same on behalf of the Board and the District. Director Campbell seconded the motion, which carried unanimously.

The Board requested that MRPC obtain a quote from Off Cinco and Touchstone District Services for website management.

Mr. Eby stated that the gazebo could be stained again soon, and he stated that that he will obtain a quote for the Board's review.

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.

Ronald Stenrod

Secretary, Board of Directors

LIST OF EXHIBITS

April 1, 2024

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| Exhibit A | Tax Assessor Collector's Report |
| Exhibit B | Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes |
| Exhibit C | Operator's Report |
| Exhibit D | Engineering Report |
| Exhibit E | Wage Rate Resolution |
| Exhibit F | Bookkeeping Report |