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MINUTES OF REGULAR MEETING OF HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

October 9, 2007

The Board of Directors of Harris County Municipal Utility District No. 285 met in regular session, open to the public, on the 9th day of October, 2007, at a regular meeting place outside the boundaries of the District, and the roll was called of the duly constituted members of the Board, to-wit:

Walter A. Knowles, Jr.	President/Investment Officer
Roy Adame, Jr.	Vice President
James W. Chick	Secretary/Investment Officer
Jerry L. Allen	Asst. Vice President
Chand Khan	Assistant Secretary/Investment Officer

and all of said persons were present, except Directors Knowles and Allen, thus constituting a quorum.

Also present were Mary Jarmon of Myrtle Cruz, Inc.; Kenneth Martinec and Dane Plumley of Jones & Carter, Inc. ("J&C"); Rene Anadel of Wheeler & Associates, Inc. ("Wheeler"); Craig Rathmann of Rathmann & Associates, L.P.; Susan Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

MINUTES

The Board considered approving the minutes of the September 11, 2007, meeting. After discussion, Director Chick moved that the Board approve the minutes as presented. The motion was seconded by Director Khan and carried by unanimous vote.

STATEMENTS AND QUESTIONS FROM THE PUBLIC

The Board noted that no members of the public were present to make statements or ask questions.

PROPOSED TAX RATE AND NOTICE OF HEARING REGARDING ADOPTION OF PROPOSED

The Board considered establishing a date for a public hearing on the District's adoption of a 2007 tax rate and authorizing publication of a notice of the public hearing. The Board reviewed a tax rate recommendation from Rathmann & Associates, L.P., recommending the levy of a tax rate of \$0.78 per \$100 of assessed valuation to provide for the District's debt service requirements. Director Khan suggested that the Board consider further lowering the 2007 tax rate. Mr. Rathmann concurred that lowering the

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debt service portion of the tax rate to \$0.75 per \$100 of assessed valuation is feasible. After discussion, Director Khan moved that the Board authorize Wheeler to publish notice of a public hearing to be held by the District on November 13, 2007, at the offices of ABHR to consider adoption of a 2007 tax rate of \$0.90 per \$100 of assessed valuation, consisting of \$0.75 per \$100 of assessed valuation to provide for the District's debt service requirements and \$0.15 per \$100 of assessed valuation to provide for maintenance and operations. The motion was seconded by Director Chick and carried by unanimous vote. A copy of the tax rate recommendation is attached as an exhibit to these minutes.

BOOKKEEPER'S REPORT

The Board reviewed the bookkeeper's report and considered payment of the bills. Ms. Jarmon also reviewed the District's investments, including the monthly investment report, and a year-to-date budget comparison. After discussion, Director Chick moved that the Board approve the bookkeeper's report, including the checks presented for payment, and the monthly investment report. The motion was seconded by Director Khan and carried by unanimous vote. A copy of the bookkeeper's report is attached as an exhibit to these minutes.

TAX REPORT

Ms. Anadel reviewed the monthly tax report, which reflects that 96.95% of the District's 2006 taxes have been collected to date. After review, Director Khan moved that the Board approve the tax report and payment of the checks drawn on the District's tax account. The motion was seconded by Director Chick and carried unanimously. A copy of the tax report is attached as an exhibit to these minutes.

DELINQUENT TAX REPORT

Ms. Anadel presented the delinquent tax report prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. A copy of the delinquent tax report is attached as an exhibit to these minutes.

PUBLIC HEARING REGARDING TAXATION OF TANGIBLE PERSONAL PROPERTY IN TRANSIT UNDER TEXAS TAX CODE, SECTION 111.253, AND ADOPTION OF RESOLUTION TO TAX TANGIBLE PERSONAL PROPERTY IN TRANSIT ("RESOLUTION")

The Board conducted a public hearing regarding the taxation of tangible personal property in transit. The Board reviewed an ABHR memorandum, attached as an exhibit to these minutes, explaining that an exemption from taxation on tangible personal property in transit will be automatically applied unless the taxing jurisdiction follows statutory procedures to opt out of the exemption, including holding a public hearing and adopting the Resolution. The Board noted that no members of the public were present to contest the District's opting out of the exemption as discussed. After

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discussion, Director Adame moved that the Board adopt the Resolution, to be filed with the Harris County Appraisal District. The motion was seconded by Director Khan and carried by unanimous vote. The Resolution, thus adopted, is attached to and shall be considered part of these minutes.

ENGINEER'S REPORT

Mr. Martinec presented a written report regarding engineering activities performed in the District, including the projects specifically addressed as follows in these minutes. A copy of the engineer's report is attached as an exhibit to these minutes.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE NEW FOREST WEST, SECTION 3

Mr. Martinec reported that the debris remaining after clearing and grubbing must be removed from New Forest West, Section 3, before the contractor can move on-site to construct the water, sewer, and drainage facilities.

CONVEYANCE OF DEEDS AND EASEMENTS

Mr. Martinec reported that there were no deeds and/or easements for the Board's approval and/or acceptance.

WASTEWATER TREATMENT PLANT NO. 2, PHASE 1

Mr. Martinec reported on the status of the construction of permanent wastewater treatment plant no. 2, Phase 1. He stated that no Pay Estimates were submitted by R.P. Constructors, Inc., for the Board's approval. He recommended that the Board approve a Change Order to the construction contract providing for reinforcement of the exterior ground storage tank wall, some piping, and minor adjustments, resulting in a net increase of \$11,290 in the contract amount. After discussion, Director Chick moved that the Board approve the Change Order, subject to receipt of the written documentation. The motion was seconded by Director Khan and carried by unanimous vote.

BOND APPLICATION NO. 8

Mr. Martinec stated that J&C is waiting for feasibility information related to the District's proposed bond application no. 8 from the District's financial advisor.

RESOLUTION REQUESTING APPRAISAL OF PROPERTY AND CERTIFICATE OF ESTIMATED APPRAISED VALUE

The Board of Directors considered adopting a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value ("Resolution"). After discussion, Director Chick moved that the Board adopt the Resolution. The motion was

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seconded by Director Adame and carried unanimously. The Resolution, thus adopted, is attached to and shall be considered part of these minutes.

LIBERTY LAKES, SECTION 1, STORM WATER QUALITY MANAGEMENT

Mr. Martinec reported that he will contact the District's operator regarding obtaining a proposal from a storm water quality management company to maintain the Liberty Lakes, Section 1, storm water capacity facilities.

N500 DETENTION POND EXPANSION TO SERVE FVNA PROPERTIES, LTD. ("FVNA"), PROPERTY

The Board reviewed a bid tabulation for the detention pond expansion to serve FVNA. Mr. Martinec recommended that the Board accept the low bid in the amount of \$386,382.50 submitted by Spaw Glass Civil Construction, Inc. The Board concurred that award of a contract to Spaw Glass Civil Construction, Inc., will be most advantageous to the District and will result in the best and most economical completion of the District's facilities. After discussion, Director Chick moved that the Board accept the low bid in the amount of \$386,382.50 submitted by Spaw Glass Civil Construction, Inc. for the detention pond expansion to serve FVNA and that the Board award a contract to said contractor, subject to review of the payment and performance bonds by ABHR. Director Khan seconded the motion, which carried by unanimous vote.

WATER PLANT PHASE 1

Mr. Martinec reported that FVNA has requested additional capacity in the District's water plant. He stated that the District's ability to provide the capacity will involve revising the plans and specifications to add additional pressure tanks and a generator. He stated that J&C will present cost estimates and alternatives for the Board's review at its October 22, 2007, special meeting.

MS4 PHASE II PERMITTING REQUIREMENTS

Ms. Edwards reviewed a memorandum regarding the Phase II MS4 permitting requirements. She reported that on August 13, 2007, the Texas Commission on Environmental Quality ("TCEQ") issued TPDES General Permit TXR040000, which authorizes the discharge of storm water from small "Municipal Separate Storm Sewer Systems" ("MS4s") to surface water in the state. She stated that the TCEQ confirms that districts located within Harris County will be considered as a part of Harris County's MS4 and will be regulated under Harris County's MS4 permit. She stated that no further action under permit is required for districts located in Harris County. A copy of the ABHR memorandum regarding the Phase II MS4 permitting requirements is attached as an exhibit to these minutes.

GARBAGE COLLECTION SERVICES PROPOSALS

The Board requested that ABHR solicit proposals for garbage collection services for distribution to the directors at the Board's November 13, 2007, special meeting.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

Secretary, Board of Directors

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