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MINUTES HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

January 28, 2008

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 285 (the "District") met in special session, open to the public, on the 28th day of January, 2008, at the offices of 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
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 the above were present, thus constituting a quorum.

Also present at the meeting were Kenneth Martinec and Dane Plumley of Jones & Carter, Inc. ("J&C"); David Ley of Ley Wilson Development, LLC; Teri League and Todd Casselman of Allied Waste Services of Houston ("Allied"); Terry Woodson of Waste Management of Texas ("Waste Management"); Susan M. Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

MINUTES

No minutes were presented for the Board's approval.

SECURITY SERVICES

Director Allen reported on security services in the District during the month. He informed the Board that a resident of Stone Park Apartments was apprehended after he robbed Washington Mutual Bank and threw a pipe bomb into a McDonald's restaurant.

FILING OF DISCLOSURE STATEMENTS REQUIRED BY PUBLIC FUNDS INVESTMENT ACT

The Board considered accepting the Disclosure Statements from the District's bookkeeper and Investment Officers for filing with the Texas Ethics Commission as required by the Public Funds Investment Act. Upon a motion made by Director Allen and seconded by Director Adame, the Board voted unanimously to accept the Disclosure Statements from the District's bookkeeper and Investment Officers and to authorize filing with the Texas Ethics Commission.

DEVELOPER'S REPORT

Mr. Ley reported on the commercial development in the District. He reported that the Black Rock Commons pad site should be open for business in approximately 60 days. He informed the Board that the ditch is being cleaned in the area of The Shops at Stone Park and the bayou will be realigned. He stated that J. C. Penney proposes to open in the fall of 2009. He reported that the first phase of the Stone Park Apartments is approximately 90% occupied and phase 2 is approximately 45% occupied.

NORTH CHANNEL WATER AUTHORITY ("NORTH CHANNEL")

Ms. Prospere reported that Arthur Marshall emailed information regarding the North Channel surface water supply activities, including the construction projects underway. She stated that Billy C. Allen, Jr., has reported water accountability for the month of 96.30% and that 80.62% of the water usage was surface water. Ms. Prospere distributed copies of the draft December 10, 2007, North Channel Board meeting minutes for the Board's review.

INTERLOCAL AGREEMENT ("AGREEMENT")

The Board considered approving the Agreement, a copy of which is attached, between the District and the Harris-Galveston Subsidence District providing for the District's sponsorship of the Water Wise Program at Havard Elementary School. After discussion, Director Khan moved to approve the Agreement. The motion was seconded by Director Knowles, and carried by unanimous vote.

HEARING REGARDING TERMINATION OF SERVICE

The Board conducted a hearing regarding water and sewer service terminations. The Board noted that the residents on the termination list presented by Calvin Browne of SWWC Services, Inc., at the Board's January 8, 2008, meeting, 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 service should not be terminated for reason of non-payment. After discussion, Director Knowles moved that, because the residents on the termination list were either not present at the meeting or had not requested to speak regarding their delinquency nor had they presented any written statement on the matter to the Board, utility service for such residents should be terminated in accordance with the District's Rate Order. The motion was seconded by Director Adame and carried by unanimous vote.

DRAFT

ENGINEER'S REPORT

Mr. Plumley 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.

WASTEWATER TREATMENT PLANT NO. 2, PHASE 1

Mr. Martinec reported on the status of the construction of wastewater treatment plant no. 2, Phase 1. He stated that no Pay Estimates or Change Orders were submitted by R.P. Construction, Inc., for the Board's approval. He recommended that the Board authorize J&C to send notice to The AUC Group terminating the interim wastewater treatment plant lease and requesting a waiver of the 60-day termination notice provision. Upon a motion made by Director Allen and seconded by Director Chick, the Board voted unanimously to authorize J&C to provide written notice of the interim wastewater treatment plant lease termination and to request a waiver of the notice provision.

WATER PLANT CLEARING AND GRUBBING

Mr. Martinec reported on the status of the water plant clearing and grubbing. He stated that no Pay Estimates or Change Orders were submitted by Excalibur Construction, Ltd., for the Board's approval.

WATER PLANT, PHASE 1

Mr. Martinec updated the Board regarding the District's proposed water plant, Phase 1. The Board deferred approval of the plans and specifications for the project pending receipt.

ELEVATED WATER STORAGE TANK WAIVER

Mr. Martinec informed the Board that J&C submitted the application to the Texas Commission on Environmental Quality for a waiver from the elevated water storage tank requirement on January 4, 2008.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE LIBERTY LAKES, SECTION 2

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve Liberty Lakes, Section 2. He stated that J&C is coordinating completion of the punch list items.

DRAFT

WATER, SEWER, AND DRAINAGE FACILITIES AND OFF-SITE WATER LINE TO SERVE LIBERTY LAKES, SECTION 9

Mr. Martinec reported on the status of the construction of the water, sewer and drainage facilities and off-site water line to serve Liberty Lakes, Section 9. He stated that no Pay Estimates or Change Orders were submitted by Cravens Partners, Ltd. ("Cravens"), for the Board's approval.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE LIBERTY LAKES, SECTION 10

Mr. Martinec reported on the status of the water, sewer, and drainage facilities to serve Liberty Lakes, Section 10. He recommended approval of Pay Estimate No. 2 in the amount of \$1,814.50 submitted by Crostex Construction, Inc. After discussion, Director Allen moved that the Board approve Pay Estimate No. 2 as recommended. The motion was seconded by Director Chick and carried by unanimous vote.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE NEW FOREST WEST, SECTION 4

Mr. Martinec informed the Board that Kenneth Lamb Construction, Inc., has executed the release agreement terminating the construction contract for the water, sewer, and drainage facilities to serve New Forest West, Section 4.

NEW FOREST WEST, SECTION 4, LIFT STATION

Mr. Martinec reported that J&C is addressing comments on the plans and specifications for the New Forest West, Section 4, lift station from the City of Houston and Harris County.

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

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve New Forest West, Section 3. He stated that C. E. Barker, Ltd., submitted Change Order No. 2 for removal of an existing sanitary sewer stub not shown on the plans and coring into the existing manhole. He stated that J&C negotiated the Change Order increase in the contract amount from \$3,750 to \$1,600 and thus recommended approval of Change Order No. 2 for the revised amount. Upon a motion made by Director Allen and seconded by Director Chick, the Board voted unanimously to approve Change Order No. 2 as recommended.

NEW FOREST LIFT STATION AND FORCE MAIN UPGRADE

The Board deferred the review of bids and award of a contract for the New Forest lift station and force main upgrade pending the receipt of bids.

DRAFT

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE CARPENTER'S LANDING, SECTION 2

Mr. Martinec reported on the status of the construction of the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 2. He stated that no Pay Estimates or Change Orders were submitted by Cravens for the Board's approval.

WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE CARPENTER'S LANDING, SECTION 3

The Board deferred approval of the plans and specifications for the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 3, pending receipt, and deferred authorizing advertisement for bids for the project pending approval of the plans and specifications.

WATER AND SEWER TRUNK LINES TO SERVE FVNA AND LEY TRACTS

Mr. Martinec reported on the status of the construction of the water and sewer trunk lines to serve the FVNA and Ley tracts. He stated that no Pay Estimates or Change Orders were submitted by Cravens for the Board's approval.

OFF-SITE FACILITIES TO SERVE BLACK ROCK COMMONS

Mr. Martinec reported on the status of the construction of the off-site facilities to serve Black Rock Commons. He stated that no Pay Estimates or Change Orders were submitted by Statewide Services for the Board's approval.

N500 DETENTION POND EXPANSION TO SERVE FVNA

Mr. Martinec reported on the status of the N500 detention pond expansion to serve FVNA. He stated that no Pay Estimates or Change Orders were submitted by Spaw Glass Civil Construction, Inc., for the Board's approval.

DEEDS AND EASEMENTS, INCLUDING SPECIAL WARRANTY DEED FOR STONE PARK APARTMENTS LIFT STATION SITE

The Board deferred acceptance and/or approval of any deeds or easements, including the Special Warranty Deed for the Stone Park Apartments lift station site, pending receipt.

BOND APPLICATION NO. 8

Mr. Martinec reported that bond application no. 8 is being revised to address consultant comments.

DRAFT

CONSENT TO ENCROACHMENT

Ms. Edwards reported that Harris County has reiterated its request that the Board consider waiving the indemnity provision in the District's Consent to Encroachment by Harris County on the District's Liberty Lakes lift station easement. After discussion, Director Allen moved to deny Harris County's request for waiver of the indemnity provision in the Consent to Encroachment. The motion was seconded by Director Chick and carried by unanimous vote.

AMENDMENT NO. 1 TO WATER AND WASTEWATER CAPACITY COST-SHARING AGREEMENT ("AMENDMENT")

The Board considered approving the Amendment between the District, Carpenter's Landing Partners, L.P., FVNA Properties Ltd., and KB HOME Lone Star Inc. After discussion, Director Knowles moved to approve the Amendment. Director Adame seconded the motion, which carried unanimously. The Amendment is filed in the District's permanent records.

GARBAGE COLLECTION SERVICES

Mr. Casselman reviewed the proposal from Allied providing, among other things, for curbside garbage pickup on Tuesdays and Fridays at a cost of \$13.08 per household, and heavy trash pickup on request by a resident at a cost to the resident of \$25, for a term of three years. The Board expressed interest in recycling services. The Board also suggested that rate increases be tied to a CPI-U adjustment for garbage collection services and that the non-renewal notification after the three-year contract term be decreased to 30 days.

Ms. Woodson next discussed the proposal from Waste Management providing, among other things, for curbside collection on Wednesdays and Saturdays at a cost of \$13.08, including weekly heavy trash pickup, with a potential three-month fuel surcharge to be reviewed on a three-month basis, with a three-year contract term. The Board indicated its preference for Tuesday and Friday collection. Ms. Woodson stated that Waste Management does not have an opening for Tuesdays and Fridays at this time, but will reschedule service if an opening becomes available.

The Board discussed the garbage service proposals, including the collection schedule, heavy trash pickup, and the quality of service. After discussion, Director Adame moved to accept the proposal from Allied, subject to execution of an acceptable contract, effective May 1, 2008, including heavy trash pickup of one item per household once a month at no additional cost, with any additional heavy trash pickups at a cost of \$25 to the resident, a CPI-U adjustment based on garbage collection services, and service to be guaranteed on all collection days with all trash to be collected. The motion was seconded by Director Allen and carried by a vote of 4 for to 1 against, with Director Khan voting "no."

DRAFT

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

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Interlocal Agreement.....	2
engineer's report	3