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MINUTES HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

February 12, 2008

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 12th day of February, 2008, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, 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 except Director Knowles, thus constituting a quorum.

Also present at the meeting were Mary Jarmon of Myrtle Cruz, Inc.; Dane Plumley of Jones & Carter, Inc. ("J&C"); Rene Anandel of Wheeler & Associates, Inc. ("Wheeler"); Michael M. McCall of McCall, Gibson & Company, PLLC ("McCall"); Susan Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

MINUTES

The Board considered approving the minutes of the January 8, 2008, meeting. After discussion, Director Chick moved to 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.

AUDITOR

The Board considered retaining an auditor to prepare the District's audit report for the fiscal year ending March 31, 2008. Mr. McCall presented a proposal from McCall for preparation of the report. He also presented a memorandum regarding the Statement on Auditing Standards Nos. 104-111, collectively referred to as the Risk Assessment Standards. He explained that compliance with the new auditing standards will result in a fee increase of approximately \$2,000. Mr. McCall also presented a fraud questionnaire to each Board member in conjunction with the Statement on Auditing

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Standards No. 99. After discussion, Director Khan moved to retain McCall to prepare the District's audit report as stated. The motion was seconded by Director Chick and carried by unanimous vote. Copies of the audit report proposal and related information from McCall are attached.

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 Khan moved to approve the bookkeeper's report, including the checks presented for payment except for the Association of Water Board Directors conference expense reimbursements subject to further discussion, and the monthly investment report. The motion was seconded by Director Allen and carried by unanimous vote. A copy of the bookkeeper's report is attached.

BUDGET

The Board deferred approval of a budget for the District's fiscal year ending March 31, 2009, pending review.

RESOLUTION ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board considered adopting a Resolution Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions ("Resolution"). Upon a motion made by Director Khan and seconded by Director Allen, the Board voted unanimously to adopt the Resolution.

TAX REPORT

Ms. Anadel reviewed the monthly tax report, which reflects that 85.64% of the District's 2007 taxes have been collected to date. After review, Director Allen moved to 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.

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.

The Board then considered authorizing placement of the delinquent personal property tax accounts prior to 2001 on a reserve list. Upon a motion made by Director Allen and seconded by Director Chick, the Board voted unanimously to authorize

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placement of the aged delinquent personal property tax accounts on a reserve list as stated.

WASTEWATER TREATMENT PLANT NO. 2, PHASE 1

Mr. Plumley reported on the status of construction of permanent wastewater treatment plant no. 2, Phase 1. He stated that the plant is now operational. He informed the Board that the interim wastewater treatment plant lease termination letter was sent to The AUC Group, including a request for waiver of the 60-day termination notice requirement. He stated that The AUC Group has verbally agreed to waive the notice requirement as requested and will send written confirmation of the waiver.

WATER AND SEWER TRUNK LINE FACILITIES TO SERVE LEY/FVNA PROPERTIES

Mr. Plumley reported on the status of construction of the water and sewer trunk line facilities to serve the Ley/FVNA properties. He recommended approval of Change Order No. 2 to the contract with Cravens Partners, Ltd., providing for steel casing on the line crossing a Shell pipeline and certain miscellaneous items, resulting in a net decrease of \$682.53 in the contract amount. After discussion, Director Khan moved to approve Change Order No. 2 as recommended. Director Adame seconded the motion, which carried unanimously.

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.

INFORMATION ON THE SHOPS AT STONE PARK

The Board received information regarding The Shops at Stone Park proposed for reimbursement of eligible project costs by the District from the Strategic Partnership Agreement ("SPA") sales tax proceeds. Ms. Edwards reported that the District's SPA with the City of Houston ("City") may not produce sales tax revenue because the City has been notified by the Texas State Comptroller that two emergency services districts ("ESD") overlying the District conducted successful November, 2007, elections authorizing the implementation of a \$0.01 sales tax for each ESD. She explained that the ESD sales tax would preclude the implementation of the SPA sales tax. She stated that ABHR is in the process of investigating the SPA effective date to determine if the November, 2007, election preceded the SPA effective date. She also stated that ABHR is investigating the ESD boundaries to determine if the District's commercial areas are located entirely within ESD boundaries. Ms. Edwards informed the Board that The Shops at Stone Park will add approximately \$32 million in assessed value to the District

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and that total annual SPA sales tax revenue generated from the development is estimated to be \$330,000 assuming that the SPA is deemed effective.

ORDER CALLING DIRECTORS ELECTION

The Board considered adopting an Order Calling Directors Election ("Order") for the May 10, 2008, election. Upon a motion made by Director Adame and seconded by Director Khan, the Board voted unanimously to adopt the Order, which is filed appropriately and retained in the District's permanent records.

ELECTION OFFICIAL PAYMENT

The Board considered establishing the rate of pay for officials serving in the District's May 10, 2008, directors election. After discussion, Director Adame moved to authorize payment to the election officials at the rate of \$10 per hour. Director Khan seconded the motion, which carried unanimously.

VOTING RIGHTS ACT SUBMISSIONS LETTER TO U.S. DEPARTMENT OF JUSTICE

The Board considered authorizing preparation and filing of a Voting Rights Act submissions letter, if necessary, requesting clearance to hold the May 10, 2008, directors election. After discussion, Director Adame moved to authorize ABHR to prepare and file the Voting Rights Act submissions letter as discussed, if necessary. The motion was seconded by Director Khan and carried by unanimous vote.

RECYCLING SERVICES, YARD WASTE, AND SOLID WASTE COLLECTION AGREEMENT

The Board deferred approval of the Recycling Services, Yard Waste, and Solid Waste Collection Agreement with Allied Waste Services pending receipt and review.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD")

The Board considered approving reimbursement of expenses to its members for the AWBD winter conference and authorizing attendance of its members at the summer AWBD conference. Director Adame expressed his opinion that the reimbursement documentation should be detailed and should include receipts. He also requested that the documentation for the reimbursable expenses be provided to any interested Board members prior to the meeting at which the reimbursements will be approved. Director Khan noted that the other Board members have previously indicated that review of the documentation for the invoices presented at the meeting prior to said meeting was unnecessary; however, he pointed out that he has continued to receive and review the information prior to the meeting. Director Adame then requested that he receive copies of the documentation for all checks presented for payment prior to the Board meeting. After discussion, Director Adame moved to approve reimbursement of the AWBD expenses, subject to review, and to authorize attendance of the Board members at the

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AWBD summer conference. Director Khan seconded the motion, which carried unanimously.

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

Secretary, Board of Directors

(SEAL)

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