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MINUTES HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

February 25, 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 25th day of February, 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"); Calvin Browne of SWWC Services, Inc. ("SWWC"); Arthur Marshall, Board member of the North Channel Water Authority ("North Channel"); Michael Reily, Harris County Utility Coordinator; Susan M. Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

OUT-OF-DISTRICT AGREEMENT WITH HARRIS COUNTY ("AGREEMENT")

Mr. Reily discussed the request from Harris County for the District's Consent to Encroachment by Harris County on the District's Liberty Lakes Lift Station Easement for construction of a sanitary sewer line to serve a Harris County park and the County's inability to indemnify the District against any costs relating to the sanitary sewer line. The Board discussed the possibility of the District's construction and maintenance of the sanitary sewer line at Harris County's cost, thus eliminating the need for the Consent to Encroachment, with the District's right to terminate water service if Harris County failed to reimburse the District's costs. After discussion, Director Knowles moved to approve a revised Agreement with Harris County incorporating the provisions discussed. Director Chick seconded the motion, which carried unanimously.

MINUTES

The Board considered approving the minutes of the January 28, 2008, meeting. After review, Director Chick moved to approve the minutes as submitted. The motion was seconded by Director Khan and carried by unanimous vote.

SECURITY SERVICES

Director Allen had nothing to report regarding security services in the District during the month.

STATEMENTS FROM THE PUBLIC

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

STRATEGIC PARTNERSHIP AGREEMENT

Ms. Edwards stated that ABHR is still investigating the emergency service districts' boundaries to determine if the District's commercial areas are located entirely within those boundaries.

INFORMATION ON THE SHOPS AT STONE PARK

Ms. Edwards said the developers would not present a proposal to the District regarding the Shops at Stone Park pending resolution of the emergency services districts issues.

NORTH CHANNEL

Mr. Marshall reported on the North Channel surface water supply activities, including the construction projects underway. He stated that Billy C. Allen, Jr., has reported water accountability for the month of 80.65% and that 80.65% of the water usage was surface water. Ms. Prospere distributed copies of the draft January 14, 2008, North Channel Board meeting minutes for the Board's review.

OPERATOR'S REPORT

Mr. Browne reviewed the monthly operations report. He reported on routine maintenance and repairs in the District. He stated that there were no violations of the permitted parameters at wastewater treatment plants nos. 1 and 2 during the month of January. A copy of the operations report is attached.

HEARING REGARDING TERMINATION OF SERVICE

The Board conducted a hearing regarding water and sewer service terminations. Mr. Browne reported that the residents on the termination list 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 Chick moved that, because the residents on the termination list

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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 Khan and carried by unanimous vote.

WATER SMART PROGRAM

Mr. Browne reported that the Water Smart Program application has been revised to require additional information, including the District's water supply goals. The Board agreed that the District's engineer will work with Mr. Browne to identify the District's water supply goals.

CONSENT TO ASSIGNMENT OF OPERATING SERVICES CONTRACT

The Board considered approving the District's Consent to Assignment of Professional Services Contract ("Consent"), which provides for the District's consent to assignment of its Professional Services Contract with Aqua Services, L.P., to SWWC Services, Inc. Upon a motion made by Director Khan and seconded by Director Adame, the Board voted unanimously to approve the Consent, a copy of which is attached.

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.

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 recommended approval of Pay Estimate No. 15 in the amount of \$43,537.05 submitted by R.P. Constructors, Inc. After discussion, Director Knowles moved to approve Pay Estimate No. 15 as recommended. The motion was seconded by Director Allen and carried by unanimous vote.

Mr. Martinec informed the Board that The AUC Group, LLC, has agreed to waive the 60-day termination notice requirements for the interim wastewater treatment plant leased to the District.

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. Mr. Martinec reported that J&C is working to obtain agreements from various pipeline companies allowing the District to extend water lines across their respective easements.

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 has scheduled a re-inspection of the outfall with the Harris County Flood Control District.

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 stated that no Pay Estimates or Change Orders were submitted by Crostex Construction, Inc., for the Board's approval.

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

Mr. Martinec reported no update on the construction of 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 no Pay Estimates or Change Orders were submitted by C. E. Barker, Ltd., for the Board's approval.

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.

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. He reported that a sanitary sewer lead near a curb was damaged by the paving contractor, causing sewage backup in a newly constructed vacant home.

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.

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N500 DETENTION POND EXPANSION TO SERVE FVNA

Mr. Martinec reported on the status of the N500 detention pond expansion to serve FVNA. He recommended approval of Pay Estimate No. 1 in the amount of \$12,060 submitted by Spaw Glass Civil Construction, Inc. He reported that J&C over-estimated the amount of dirt to be excavated, resulting in a reduction of \$78,800 in the contract amount. After discussion, Director Chick moved to approve Pay Estimate No. 1 in the amount of \$12,060 as recommended. The motion was seconded by Director Adame and carried by unanimous vote.

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 has been revised to address consultant comments.

RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECTS AND BONDS

The Board considered adopting the Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Projects and Bonds ("Resolution"). Upon a motion made by Director Knowles and seconded by Director Allen, the Board voted unanimously to adopt the Resolution.

RECYCLING SERVICES, YARD WASTE, AND SOLID WASTE COLLECTION AGREEMENT

The Board deferred action on the Recycling Services, Yard Waste, and Solid Waste Collection Agreement pending receipt.

LEGAL FEES

The Board considered an increase in the hourly legal fees charged to the District by ABHR. After discussion, Director Allen moved to approve the proposed hourly fee increase for Ms. Edwards and Ms. Prospere. Director Knowles seconded the motion, which was followed by discussion. After discussion, the Board agreed to defer the matter pending the receipt of information regarding legal fees charged by other law firms for comparable work.

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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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