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MINUTES

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 285

November 24, 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 24th day of November, 2008, at 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:

Jerry L. Allen	President
Roy Adame, Jr.	Vice President
Chand Khan	Secretary/Investment Officer
Walter A. Knowles, Jr.	Asst. Vice President/Investment Officer
Ephraim Q. Connerly III	Assistant Secretary/Investment Officer

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Dane Plumley of Jones & Carter, Inc. ("J&C"); Calvin Browne of SWWC Services, Inc. ("SWWC"); David W. Ley of Ley Wilson Development, LLC ("Ley"); Chad Ferguson of BPI Realty Services, Inc. ("BPI"); Arthur Marshall of the North Channel Water Authority ("North Channel") Board of Directors; Deputies James Garza and Elias Rivera of the Harris County Sheriff's Department ("Sheriff's Department"); Susan M. Edwards of Allen Boone Humphries Robinson LLP ("ABHR"); and Susan Prospere, Recording Secretary.

MINUTES

The Board considered approving the minutes of the October 27, 2008, meeting. After review, Director Adame moved to approve the minutes as submitted. The motion was seconded by Director Allen and carried by unanimous vote.

STATEMENTS FROM THE PUBLIC

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

DEVELOPERS' REPORT

Mr. Ferguson reported on the status of development in the District of the property previously or currently owned by BPI.

Mr. Ley informed the Board that The Shops at Stone Park is 90% leased and J.C. Penney has bought a pad for a store opening on September 29, 2009. He stated that

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Black Rock Commons will be 100% occupied in the near future and the Stone Park Apartments are 90% leased. He also reported on the Ley residential development.

OPERATIONS REPORT

Mr. Browne distributed the monthly operations report, including the effluent reporting forms indicating that there were no violations of the permitted parameters at wastewater treatment plants nos. 1 and 2 during the month of October. He informed the Board that 22 taps were installed in October. 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 Adame 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 Knowles and carried by unanimous vote.

RATE ORDER

The Board considered amending the District's Rate Order to include an after-hours service reconnection and payment option. Mr. Browne stated that ST can provide after-hours reconnection subject to a customer's credit card payment by phone and a \$75.00 charge to the customer's account, to be included on the customer's next water and sewer bill. After discussion, Director Knowles moved to adopt the revised Rate Order as discussed. The motion was seconded by Director Connerly and carried by unanimous vote.

CUSTOMER COMPLAINT

Mr. Browne discussed an email complaint from Christen Escobar regarding her efforts to credit her account for a water and sewer service payment. He stated that SWWC had requested a copy of her canceled check that had not been provided. He reported that he had spoken with Ms. Escobar earlier in the day and managed to obtain a copy of the check. He explained that the District numbers were transposed and the check was not credited to her account because of the error, but stated that the matter has since been resolved. A copy of Ms. Escobar's email is attached.

SECURITY SERVICES

The Board discussed written reports from the Sheriff's Department for October, 2008, activities in the District and a comparison of security service activities in 2007 and 2008, copies of which are attached. Deputies Garza and Rivera reported on the crime incidents in the District, including arrests, and the estimated allocation of problems experienced by single-family and multi-family residential and commercial entities in the District. Director Garza commended Director Rivera on his successful investigation of a stabbing in the District. The Board also reviewed a notice from the Harris County Attorney, a copy of which is attached, notifying participants in the security service program of a potentially substantial cost increase in the contractor rates in 2010 and the provision of contracted security services at 100% rates only.

NORTH CHANNEL REPORT

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 was 100% and that 81.20% of the water usage was surface water.

WATER SMART PROGRAM APPLICATION

Mr. Browne reported that an application on behalf of the District for participation in the Water Smart Program will be submitted by SWWC to the Association of Water Board Directors by the April, 2009, deadline. He stated that water conservation notice and education requirements must be fulfilled in conjunction with the application.

FEDERAL EMERGENCY MANAGEMENT AGENCY ("FEMA") REIMBURSEMENT AND GRANT APPLICATIONS

Mr. Browne stated that SWWC will file an application with FEMA for the reimbursement of costs incurred by the District as a result of Hurricane Ike that are not covered by the District's insurance. Upon a motion made by Director Connerly and seconded by Director Allen, the Board voted unanimously to authorize SWWC to file the reimbursement application with FEMA.

Ms. Edwards reviewed an ABHR memorandum regarding FEMA grant applications. Mr. Plumley stated that J&C will analyze the feasibility of the District's preparation and filing of a FEMA grant application for emergency generators.

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.

WATER PLANT, PHASE 1

Mr. Plumley reported on the status of the construction of the water plant, Phase 1. He stated that J&C recommends approval of Pay Estimate No. 1 in the amount of \$659,250 submitted by W.W. Payton Construction. After discussion, Director Khan moved to approve Pay Estimate No. 1 as recommended. The motion was seconded by Director Knowles and carried by unanimous vote.

NEW FOREST WEST, SECTION 4, DETENTION POND

Mr. Plumley reported on the status of the construction of the New Forest West, Section 4, detention pond. Mr. Plumley stated that no Pay Estimates or Change Orders were submitted by Paskey Incorporated for the Board's approval.

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

The Board deferred approval of the revised plans and specifications prepared by R.M. Atkinson, Jr., Engineers, Inc. ("Atkinson") for the water, sewer, and drainage facilities to serve New Forest West, Section 4.

NEW FOREST WEST, SECTION 4, LIFT STATION

Mr. Plumley reminded the Board that J&C may need to revise the plans and specifications for the New Forest West, Section 4, lift station to accommodate Atkinson's revisions to the plans and specifications for the New Forest West, Section 4, water, sewer, and drainage facilities.

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 completion of the plans and the receipt of bids.

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

Mr. Plumley reported on the status of the construction of the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 2. He recommended approval

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of Pay Estimate No. 7 and Final in the amount of \$21,668.81 submitted by Cravens Partners, Ltd. ("Cravens") and acceptance of the project. After discussion, Director Khan moved to approve Pay Estimate No. 7 and Final for the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 2 and that the Board accept the project as recommended. The motion was seconded by Director Knowles and carried by unanimous vote.

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

Mr. Plumley reported on the status of the water, sewer, and drainage facilities to serve Carpenter's Landing, Section 3. He stated that no Pay Estimates or Change Orders were submitted by Jaho, Inc., for the Board's approval pending execution of the contracts and issuance of notice to proceed.

CARPENTER'S LANDING DETENTION POND, PHASE 3

Mr. Plumley reported no update on the Carpenter's Landing detention pond, Phase 3, plans and specifications.

PALE SAGE DRIVE WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Plumley reported that Atkinson is addressing comments provided by J&C on the plans and specifications for the Pale Sage Drive water, sewer, and drainage facilities. The Board deferred approval of the plans and specifications and authorizing advertisement for bids for the project pending J&C's recommendation.

WASTEWATER TREATMENT PLANT NO. 2 ACCESS ROAD

Mr. Plumley presented estimated costs for three access road options at wastewater treatment plant no. 2. The Board agreed to consider authorizing the preparation of plans and specifications for the access road pending further discussion of the project funding.

WASTEWATER TREATMENT PLANT NO. 2 PERMIT AMENDMENT APPLICATION

Mr. Plumley stated that the preparation of the wastewater treatment plant no. 2 permit amendment application is underway.

BOND APPLICATIONS NOS. 8 AND 9

Ms. Edwards reported that the Texas Commission on Environmental Quality ("TCEQ") has issued the staff memorandum for the District's bond application no. 8. She stated that Ley will be required to provide a financial guarantee for the New Forest West, Section 4, paving and FVNA Properties, Ltd., will be required to provide a

financial guarantee for its share of the water plant costs prior to advertising the sale of the bonds.

Mr. Plumley stated that J&C will present a Preliminary Summary of Costs for the District's proposed bond application no. 9 in December.

WATER LINE EASEMENT AND ACCESS EASEMENT ("EASEMENTS")

The Board considered accepting the Easements conveyed to the District by Ley-Lane Partnership No. 9, L.P., for The Shops at Stone Park water line and access. Upon a motion made by Director Khan and seconded by Director Knowles, the Board voted unanimously to accept the Easements.

CONVEYANCE OF WATER LINE TO SERVE THE SHOPS AT STONE PARK

Mr. Plumley reported that J&C will work with ABHR on the conveyance of a water line to serve The Shops at Stone Park to the District once the line construction is complete.

SPECIAL WARRANTY DEED ("DEED") FOR STONE PARK APARTMENTS LIFT STATION SITE

The Board deferred acceptance of the Deed pending receipt.

DISTRICT FACILITIES LAYOUT UPDATE AND ELECTRONIC CONVERSION

Mr. Plumley informed the Board that the estimated cost to update the District Facilities Layout will be approximately \$700 and the electronic conversion will be approximately \$1,300, which costs represent approximately half of the cost to reproduce one set of construction drawings for SWWC's use. After discussion, Director Khan moved to authorize the District Facilities Layout update and electronic conversion as discussed. The motion was seconded by Director Knowles and carried by unanimous vote.

HARRIS COUNTY FLOOD CONTROL DISTRICT TREE PLANTING PROGRAM

The Board deferred discussion of the Harris County Flood Control District tree planting program pending the receipt of additional information.

NEW FOREST WEST DETENTION POND CLEANING AND MAINTENANCE

Mr. Plumley reported that Galena Park Independent School District ("GPISD") continues to allege that the New Forest West detention pond maintenance is Ley's responsibility in spite of the fact that GPISD has only conveyed an easement to Ley for use of only a portion of the pond. The Board requested that Mr. Plumley provide an

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estimate of the initial clean up costs for the pond prior to further discussion regarding the pond maintenance.

SUCH OTHER MATTERS

Ms. Edwards reported that Mary Jarmon has determined that the District is responsible for payment of the \$15,798.96 amount billed to the District by Allied Waste Services. The Board concurred to approve the payment as discussed.

DECEMBER BOARD MEETING

The Board concurred to hold its December special meeting on the regularly scheduled date.

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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