

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

November 8, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 391 (the "District") met in regular session, open to the public on the 8th day of November, 2021 at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Robert McShane	President
John Sachs	Vice President
Catherine Shook	Secretary
William R. Skehan	Assistant Vice President
William "Gabe" Blackwell	Assistant Secretary

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

Also present at the meeting were George Porter, a resident of the District; Justin Wagner of R.G. Miller Engineers, Inc. ("RG Miller"); Demitra Berry of McLennan & Associates, LP ("McLennan"); Debbie Arellano of Bob Leared Interests ("BLI"); Teri Laguarta of Inframark Water & Infrastructure Services ("Inframark"); and Greer Pagan, Danielle Hudson, and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

The Board opened the meeting for public comments.

Mr. Pagan noted Director Skehan has submitted his resignation from the Board of Directors.

Mr. Porter then expressed interest in joining the Board.

There being no further members of the public requesting to make public comment, the Board moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the October 11, 2021, regular meeting. After review and discussion, Director Shook moved to approve the minutes of the October 11, 2021, regular meeting, as submitted. Director Sachs seconded the motion, which passed unanimously.

REVIEW FINAL ARBITRAGE REPORT FOR THE SERIES 2013A BONDS

Mr. Pagan reviewed a Final Arbitrage Rebate Report for the District's Series 2013A Bonds. He noted the Report reflects no payments are due to the Internal Revenue Service.

FINANCIAL AND BOOKKEEPING MATTERS

The Board next received the bookkeeper's report and considered payment of invoices submitted to the District. Ms. Berry reviewed with the Board an investment report, budget comparisons, checks written since the report was prepared and tax transfers. Copies of the bookkeeper's report and list of bills presented for payment are attached. After review and discussion, Director Shook moved to approve the bookkeeper's report and payment of the bills. Director Blackwell seconded the motion, which passed unanimously.

ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy, and Mr. Pagan stated that neither ABHR nor the bookkeeper have any recommended changes. After review and discussion, Director Shook made a motion to adopt a Resolution Regarding Annual Review of Investment Policy and to direct that a copy of the Resolution be filed and retained in the District's records. Director Blackwell seconded the motion, which passed unanimously.

ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Mr. Pagan reviewed a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. He next reviewed a list of qualified broker/dealers provided by McLennan. After review and discussion, Director Shook moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Blackwell seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Arellano reviewed tax assessor/collector's written report for October 2021, and checks presented for payment from the tax account. Copies of the tax assessor/collector's report and list of checks presented for approval are attached.

Following review and discussion, Director Shook moved to accept the tax assessor/collector's report and pay the bills described therein. Director Blackwell seconded the motion, which passed unanimously.

HARRIS COUNTY APPRAISAL DISTRICT BOARD ELECTION

The Board considered adopting a Resolution Casting Ballot for the Election of a Person to the Board of Directors of the Harris County Appraisal District. Following review and discussion, the Board concurred to take no action.

ENGINEERING MATTERS

Mr. Wagner generally reported on engineering projects within the District. A copy of the engineering report is attached.

Mr. Wagner updated the Board regarding construction of the permanent wastewater treatment plant expansion and reviewed and recommended approval of Pay Estimate No. 8 in the amount of \$500,297.50 payable to C4 Partners, LLC ("C4 Partners").

Following review and discussion, Director Shook moved (1) to approve the engineering report; and (2) based on the engineer's recommendation, to approve Pay Estimate No. 8 in the amount of \$500,297.50 for the construction of the permanent wastewater treatment plant expansion. Director Blackwell seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Mr. Pagan reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. He stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Shook moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data to EMMA in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Report be filed appropriately and retained in the District's official records. Director Sachs seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Pagan stated that no changes are required at this time.

LAKE AND TURF MANAGEMENT REPORT

The Board reviewed a proposal from Bluegrass Maintenance, Inc. ("Bluegrass") for irrigation repairs throughout the District for a cost of \$2,295.32, a copy of which is attached. Following review and discussion, Director Shook moved to approve the proposal from Bluegrass for irrigation repairs for a cost of \$2,295.32. Director Blackwell seconded the motion, which passed unanimously.

MASTER PARKS AND FUTURE PARK DEVELOPMENT

The Board reviewed a report from KGA, a copy of which is attached.

OPERATION OF DISTRICT FACILITIES AND TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Ms. Laguarta reviewed the operator's report for October 2021, a copy of which is attached.

The Board considered adopting a Resolution Approving Electronic Payment Services for District Customers (the "Resolution") and related payment processing agreements with Pace and T-Tech.

Ms. Laguarta reviewed a proposal to replace the steel grating with aluminum grating at the wastewater treatment plant for an approximate cost of \$4,200.00. She then reviewed a proposal for blasting and painting the catwalk and manual bar screen for an approximate cost of \$6,800.00.

Ms. Laguarta stated that blower motor no. 2 at the wastewater treatment plant requires repair or replacement. She stated replacement would cost approximately \$15,000.00 and repair would cost approximately \$11,000.00. Discussion ensued.

The Board next considered termination of utility service to delinquent accounts. Ms. Laguarta reported that the customers on the termination list were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment.

Following review and discussion, Director McShane moved (1) to approve the operator's report; (2) to adopt the Resolution and direct that it and the related agreements be filed appropriately and retained in the District's official records; (3) approve the proposal to replace the steel grating with aluminum grating at the wastewater treatment plant and to approve the proposal for blasting and painting the catwalk and manual bar screen for approximate costs of \$4,200.00 and \$6,800.00, respectively; (4) authorize Inframark to replace or repair blower motor no. 2 at the wastewater treatment plant for a cost not to exceed \$15,000.00, subject to Director Shook's final review; and (5) that since the customers on the list were neither present at the meeting nor had presented any statement on the matter, to terminate utility service in accordance with procedures set forth in the Rate Order. Director Blackwell seconded the motion, which passed unanimously.

GARBAGE COLLECTION MATTERS

The Board discussed garbage collection matters in the District.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board discussed the December 10, 2021 expiration of the District's current insurance coverage and reviewed an insurance renewal proposal from Arthur J. Gallagher & Co. Following review and discussion, Director Blackwell moved to approve the renewal proposal from Arthur J. Gallagher & Co. and pay the invoice for the renewal premium. Director Shook seconded the motion, which passed unanimously.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

SECURITY REPORT

The Board discussed security patrolling for 2022 and concurred to review this further at the next meeting.

WEBSITE MATTERS

There was no discussion on this item.

There being no additional business for consideration, the meeting was adjourned.





Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes
Page

Bookkeeper's report.....	2
Tax assessor/collector's report.....	2
Engineering report.....	3
Irrigation proposal.....	4
KGA Report.....	4
Operator's report.....	4