

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 371

Minutes of Meeting of Board of Directors
September 21, 2021

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 371 ("District") met at Saltgrass Steakhouse, 23952 Northwest Freeway, Houston, Texas 77429 on September 21, 2021, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Stephen Jester, President
Brad Davidsen, Vice President
Chris von Wiesenthal, Assistant Vice President
Trisha Bonar, Secretary

and the following absent:

Marta Galan, Assistant Secretary

Also present were Ms. Demitra Berry, bookkeeper for the District and Mr. J. Davis Bonham, Jr., attorney for the District and the following by telephone; Mr. Craig Rathmann, financial advisor for the District; Ms. Patricia Rodriguez, tax assessor-collector for the District; Mr. Ken Chang and Mr. Hans Brindley of Prologis; Mr. Chris Townsend, operator for the District and Mr. Sergio Handal, engineer for the District.

The President opened the meeting for such business as might come before it.

1. The Board opened the floor for public comment. Hearing none, the President continued with the agenda.

2. The Board reviewed the minutes of the meeting held on August 17, 2021. Upon motion duly made, seconded, and unanimously carried, the Board approved the minutes as presented.

3. Mr. Ken Chang addressed the Board regarding the proposed development project and the status of feasibility.

4. Ms. Berry presented the bookkeeper's report. The Board reviewed the report in detail. The Board discussed the investment transfer from TexPool to Texas Class. The Board noted that the District's bookkeeper and investment officer review the list promulgated by the State Comptroller and monitor it periodically. Subject to that discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the report as presented.

5. Ms. Rodriguez presented the tax assessor collector's report. The report showed 99.5% collections for 2020 taxes, and 2020 certified taxable value in the District in the amount of \$312,361,521. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks drawn on the tax fund.

6. The Board then recognized Mr. Craig Rathmann, the District's financial advisor, who presented a cash flow analysis and recommendation with respect to the District's

2021 tax rate. The Board reviewed the analysis and recommendation, as well as the 2021 tax rate worksheet. The Board considered the attached Resolution Finding District to be Low Tax Rate, Developed, Developing, or Developed District in a Declared Disaster Area, Calling Public Hearing on 2021 Tax Rate, and Authorizing Tax Assessor-Collector to Prepare and Publish Notice of the Public Hearing. After discussion, upon unanimous vote, the Board adopted the attached Resolution and authorized publication of a Notice of a Public Hearing at which the Board will consider adoption of a total 2021 tax rate of \$0.828 per \$100 assessed valuation.

7. Mr. Bonham addressed the Board regarding additional online posting requirements, and, after discussion, the Board directed the tax assessor to make all electronic postings now required by law.

8. Mr. Townsend presented the operator's report. The report showed 95% water accountability. The Board noted that the leak detection survey was completed, and minor leaks were detected. The Board noted that inspections outside of the scope of work were performed and requested that the operator investigate the manner. The operator then reviewed steps taken in preparation for potential impacts from Hurricane Nicholas. The Board then discussed meter replacement and directed Inframark to replace the 20 highest usage meters under 2 million gallons in addition to all meters over 2 million gallons. Upon motion duly made, seconded, and unanimously carried, the Board approved the operator's report as presented and approved termination of service as necessary pursuant to the District's Rate Order.


9. Mr. Handal presented the engineer's report. The wastewater treatment plant coating rehabilitation project is complete. The engineers have not received the final pay request. The wastewater treatment plant generator scheduled maintenance has been completed. The engineers are currently collecting all pending invoices to be submitted as part of the insurance claim. The engineers completed the Mandell tract service request feasibility study and presented the study to the Board for review. The engineers are currently waiting on drainage costs to be provided by Prologis. Upon motion duly made, seconded, and unanimously carried, the Board approved the engineer's report as presented.

10. Director von Wiesenthal then addressed the Board regarding security matters.

11. The Board took no action on the Law Enforcement contract rates. The Board agreed to accept the contract service rate and that no changes to the current level of service should be made for the upcoming year.

12. The Board discussed pending business. The Board took no action on the recycling contract. The Board then reviewed the District's eminent domain matter. Davis Bonham addressed the Board and presented the signed judgement.

There being no further business to come before the Board, the meeting was adjourned.

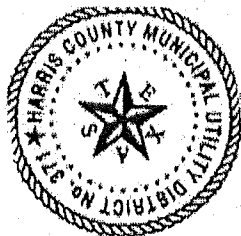

Secretary

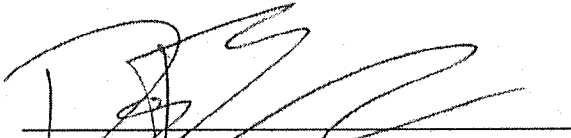
**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 371
NOTICE OF PUBLIC MEETING**

Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting at **Saltgrass Steakhouse, 23952 Northwest Freeway, Houston, Texas 77429.**

The meeting will be held at **6:30 p.m. on Tuesday, September 21, 2021.**

1. Public comments
2. Approve minutes of Board meeting held on August 17, 2021
3. Developer's Report
4. Bookkeeper's report; review invoices and authorize payment of bills; review investment report and approve investment of District funds; Deposit of District Funds
5. Tax assessor-collector's report; status of tax collections; review invoices and authorize payment; status of delinquent taxes; authorize litigation as necessary; consider any taxpayer appeals; approve installment payment agreements, as necessary
6. Resolution (1) Finding District to be Low Tax Rate, Developed, Developing, or Developed District in a Declared Disaster Area, (2) Calling Public Hearing on 2021 Tax Rate and (3) Authorizing Tax Assessor-Collector to Prepare and Publish Notice of the Public Hearing
7. Tax Code Section 26.18 Compliance
8. Operator's report; review active connections and water accountability; status of operation, maintenance and repair of District facilities; consider customer appeals and accounting issues; approve termination of service on delinquent accounts; Hazardous Operations Review; West Harris County Regional Water Authority
9. Engineer's report; authorize preparation of plans as appropriate; authorize advertising for bids; award contracts; approve change orders;
 - a. Sewage treatment plant coating rehabilitation project;
 - b. Wastewater treatment plant generator;
 - c. Sanitary Forcemain Replacement
 - d. Mandell Tract Feasibility Tract
10. Security report
11. Law Enforcement Contract Rates
12. Pending business, including:
 - a. Status of recycling contract with BAK Recycling, Inc.
 - b. Status of condemnation





J. Davis Bonham, Jr.
Attorney for the District