

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

January 25, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 321 (the "District") met in regular session, open to the public, on January 25, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Kimberly Butler	President
Jeff Stein	Vice President
John Vassar	Assistant Vice President
Brad Beauchamp	Secretary
Matthew May	Assistant Secretary

and all of the above were present except Directors Butler and Vassar, thus constituting a quorum.

Also present at the meeting were: Brian Krueger of BKD, LLP; Mike Scott and Erik Scott of Champions Hydro-Lawn, Inc. ("Champions"); Mike Terechenok and Ashley Bird of Pinto Realty Development, Inc.; Drew Tiffany of BGE, Inc. ("BGE"); Karrie Kay of Myrtle Cruz, Inc.; Rich Rankin of H2O Innovation; Kristen Scott of Bob Leared Interests ("Bob Leared"); and Robert A. Seale and Sandra Staine of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the December 13, 2021, regular meeting. After review and discussion, Director Beauchamp moved to approve the minutes as presented. Director Stein seconded the motion, which passed by unanimous vote.

AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2021

Mr. Krueger presented and reviewed a draft audit for the District's fiscal year ended September 30, 2021. Following review and discussion, Director Beauchamp made a motion to approve the audit, subject to final attorney review, and direct that it be filed with the Texas Commission on Environmental Quality and maintained in the

District's official records. Director Stein seconded the motion, which carried unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a proposal from HARCO for the renewal of District's insurance policies. Following review and discussion, Director Beauchamp moved to approve the proposal presented by HARCO, with the director liability coverage renewed through the Texas Municipal League, for the renewal of the insurance policies and direct that the proposal be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kay reviewed the bookkeeper's report, including the investment report and list of checks presented for payment, a copy of which is attached. Following review and discussion, Director Beauchamp moved to approve the bookkeeper's report and payment of the bills. Director Stein seconded the motion, which passed by unanimous vote.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy and concurred that no updates were necessary at this time. Following review and discussion, Director Beauchamp moved to adopt a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect and direct that the Resolution be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed by unanimous vote.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Mr. Seale stated that in accordance with the District's Investment Policy, Ms. Iguess, as the District's bookkeeper and Ms. Mary Jarmon, as the District's Investment Officer, are required to execute Disclosure Statements that disclose any relationships with banks and brokers who seek to sell investments to the District. He added that the Disclosure Statements will be filed with the Texas Ethics Commission. After review and discussion, Director Beauchamp moved to accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statements be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which carried unanimously.

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

Mr. Seale reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. Following review and discussion, Director Beauchamp moved to adopt the 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 Stein seconded the motion, which passed by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Scott reviewed the tax assessor/collector's report, a copy of which is attached. She stated that the District's 2021 taxes were 16.4% collected as of December 30, 2021. After review and discussion, Director Beauchamp moved to approve the tax assessor/collector's report and the checks presented for payment. Director Stein seconded the motion, which passed by unanimous vote.

Mr. Seale reviewed a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value reflecting a request to the Harris County Appraisal District for an estimate of value as of February 1, 2022. After review and discussion, Director Beauchamp moved to adopt the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value and direct that the Resolution be filed appropriately and retained with the District's official records. Director Stein seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT

Mr. Rankin reviewed the operator's report for December, a copy of which is attached, and discussed operational matters in the District. He stated water accountability for the previous month was 98.72%.

Mr. Seale discussed recently enacted legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that become due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. He presented a proposed Amended Rate Order incorporating such provisions. After review and discussion, Director Beauchamp moved to adopt the Amended Rate Order. Director Stein seconded the motion, which passed unanimously.

After review and discussion, Director Beauchamp moved to approve the operator's report. Director Stein seconded the motion, which passed by unanimous vote.

HEARING ON TERMINATION OF SERVICE

There were no accounts to consider for termination of utility service.

THE CITY INDUSTRIAL USER PERMITTING MATTERS

Mr. Rankin updated the Board on City industrial user permitting matters.

MAINTENANCE OF DETENTION PONDS AND DISTRICT FACILITY SITES, INCLUDING PROPOSALS FOR ADDITIONAL WORK

Mr. Scott reviewed the report on the maintenance of detention ponds and District facility sites, a copy of which is attached.

DEVELOPMENT MATTERS

Mr. Terechenok updated the Board on development matters in the District.

ENGINEER'S REPORT

Mr. Tiffany reviewed the engineer's report, a copy of which is attached.

Mr. Tiffany updated the Board on the construction of a 12-inch water line along Ella Boulevard.

Mr. Tiffany updated the Board on the construction of the Traffic Signal at Greens Crossing Boulevard and Fallbrook Drive. He reviewed and recommended approve of Pay Estimate No. 4, in the amount of \$6,048.00, payable to CityLynx, Inc. ("CityLynx").

Mr. Tiffany updated the Board on the drainage and paving for Fallbrook Drive Street Dedication, Section 2.

Mr. Tiffany updated the Board on the construction of water well no. 3.

Mr. Tiffany updated the Board on the construction of water well no. 3 water line extension and stated that this project is being designed.

Mr. Tiffany updated the Board on the status of the Greens Crossing Drainage System ATLAS 14 Analysis. He stated that BGE is continuing to work on the analysis.

Mr. Tiffany updated the Board on the 2022 Capital Improvement Plan facility improvements.

Mr. Tiffany updated the Board on the preparation of bond application no. 10.

After review and discussion, Director Beauchamp moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 4, in the amount of \$6,048.00, payable to CityLynx, for the construction of the Traffic Signal at Greens Crossing Boulevard and Fallbrook Drive. Director Stein seconded the motion, which carried unanimously.

CAPITAL BUDGETS, LETTER FINANCING AGREEMENTS, SITE DEVELOPMENT AGREEMENTS, AND INFRASTRUCTURE WORK LETTER AGREEMENTS

The Board did not take any action on this agenda item.

2022 DIRECTORS ELECTION

Mr. Seale discussed procedures related to the 2022 Directors Election. He reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors during the 2022 Directors Election Period.

Mr. Seale reported on requirements to file a Notice of Deadline to File Applications for Place on the Ballot for the 2022 Directors Election.

Mr. Seale stated that the District may contract with Harris County (the "County") to conduct the District's 2022 Directors Election.

Mr. Seale reviewed an Order Calling Directors Election.

Mr. Seale discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of the County.

Following review and discussion, Director Beauchamp made the following motion: to (1) adopt a Resolution Designating an Agent of the Secretary of the Board during the 2022 Directors Election Period appointing Alyssa Ollwerther as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the Notice of Deadline to File Applications for Place on the Ballot as required; (3) approve the contract with the County to administer the District's election; (4) adopt the Order Calling Directors Election; and (5) to authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Stein seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Seale reported on the District’s compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time.

RESOLUTION ESTABLISHING ADDRESSES AND METHODS FOR TEXAS PUBLIC INFORMATION ACT REQUESTS

Mr. Seale reviewed with the Board a resolution regarding designating addresses and methods for receipt of requests for public information under the Texas Public Information Act (“TPIA Requests”). The Board considered designating a mailing address and an email address and approving other methods for receipt of TPIA Requests, pursuant to Section 552.234 of the Texas Government Code.


After review and discussion, Director Beauchamp moved to (1) adopt a Resolution Establishing Addresses and Methods for Texas Public Information Act Requests (“Resolution”) to (a) designate the address of the District’s official office as the mailing address and har321@txdistricts.info as the email address for receipt of TPIA Requests to the District, and (b) direct that the designated addresses and methods be printed on the sign displayed by the District under Section 552.205, Texas Government Code; and (2) direct the Resolution to be filed appropriately and retained in the District’s official records. Director Stein seconded the motion, which passed unanimously.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on February 15, 2022, at 11:00 a.m., at the offices of ABHR.

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





Secretary, Board of Directors

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