

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

March 14, 2022

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 14th day of March, 2022 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
George Porter	Assistant Vice President
William "Gabe" Blackwell	Assistant Secretary

and all of the above were present except Directors McShane and Sachs, thus constituting a quorum.

Also present at the meeting were Kevin Force, a resident of the District; Spencer Day of Masterson Advisors, LLC; Justin Wagner of R.G. Miller Engineers, Inc. ("RG Miller"); Bob DeForest of KGA/DeForest Design, LLC ("KGA"); Demitra Berry of McLennan & Associates, LP ("McLennan"); Debbie Arellano of Bob Leared Interests ("BLI"); Teri Laguarda of Inframark Water & Infrastructure Services ("Inframark"); and Greer Pagan and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

The Board opened the meeting for public comments. There being no 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 February 14, 2022, regular meeting. After review and discussion, Director Shook moved to approve the minutes of the February 14, 2022, regular meeting, as submitted. Director Blackwell seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCES

The Board discussed the Association of Water Board Directors winter conference. The Board then considered authorizing attendance at the summer conference. After

discussion, Director Blackwell moved to approve reimbursement of all eligible expenses for Directors who attended the winter conference, and to authorize attendance of any interested Directors at the summer conference. Director Shook seconded the motion, which passed unanimously.

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.

Mr. Pagan noted that the surplus funds application has been approved by the Texas Commission on Environmental Quality.

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.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Arellano reviewed tax assessor/collector's written report for February 2022, 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.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Day reviewed a tax rate analysis with the Board, a copy of which is attached. Mr. Pagan then presented and reviewed a Resolution Concerning Exemptions from Taxation reflecting that the Board grants a general residential homestead exemption of 20% (but not less than \$5,000) and grants an exemption of \$40,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older. Following review and discussion, Director Porter moved to adopt the Resolution Concerning Exemptions from Taxation and direct that the Resolution be filed appropriately and retained in the District's official records. Director Shook seconded the motion, which passed unanimously.

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. 12 in the amount of \$159,535.59 payable to C4 Partners, LLC.

Mr. Wagner reviewed and recommended approval of a Consent to Encroachment with Strong 290 Louetta, LLC to extend their driveway, that will encroach into the District's water line easement.

Mr. Wagner then reviewed and recommended approval of a Special Warranty Deed to convey land back to the District from a previous director.

Following review and discussion, Director Porter moved (1) to approve the engineering report; (2) based on the engineer's recommendation, to approve Pay Estimate No. 12 in the amount of \$159,535.59 for the construction of the permanent wastewater treatment plant expansion; (3) approve the Consent to Encroachment, as recommended; and (4) approve the Special Warranty Deed, as recommended. Director Blackwell seconded the motion, which passed unanimously.

LAKE AND TURF MANAGEMENT REPORT

Director Shook reported on lake and turf matters.

MASTER PARKS AND FUTURE PARK DEVELOPMENT

Mr. DeForest reviewed a report from KGA, a copy of which is attached.

Mr. DeForest updated the Board regarding the irrigation enhancements for the medians on Louetta Road and reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$67,227.71 payable to Triple E. Landscapes.

Following review and discussion, Director Porter moved (1) to approve the report from KGA; and (2) based on the landscape architect's recommendation, to approve Pay Estimate No. 1 in the amount of \$67,227.71 for the irrigation enhancements for the medians on Louetta Road. Director Shook seconded the motion, which passed unanimously.

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

Ms. Laguarta reviewed the operator's report for January 2022, a copy of which is attached and requested authorization to refer nine delinquent accounts to collections.

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 Blackwell moved (1) to approve the operator's report; and (2) 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 Shook seconded the motion, which passed unanimously.

REVIEW CRITICAL LOAD SPREADSHEET

Mr. Pagan reviewed the District's Critical Load List and explained that the District is now required to file annually with Harris County and State agencies, whether the District has made any facility or personnel changes. Mr. Pagan said that the District engineer, operator and bookkeeper have reviewed the revised Critical Load List and verified that the information is accurate. He said ABHR will file the Critical Load List with Harris County and State agencies.

CONDUCT ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Mr. Pagan reported that the District is required to review the District's Drought Contingency Plan annually. Ms. Laguarta confirmed that no changes need to be made at this time.

REVIEW EMERGENCY PREPAREDNESS PLAN AND AUTHORIZE APPROPRIATE ACTION, IF NECESSARY

Ms. Laguarta reviewed the District's Emergency Preparedness Plan and stated that there are no recommended changes to the Emergency Preparedness Plan at this time.

GARBAGE COLLECTION MATTERS

There was no discussion on this item.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

SECURITY REPORT

There was no discussion on this item.

WEBSITE MATTERS

There was no discussion on this item.

2022 DIRECTORS ELECTION

Mr. Pagan discussed procedures related to the 2022 Directors Election. He presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board's Secretary stating that the District received two candidate applications for the two director positions for the May 7, 2022, Directors Election.

Mr. Pagan presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office stating that the May 7, 2022, Directors Election is cancelled and that the unopposed candidates, John Sachs, Catherine Shook, and Kevin Force, are declared elected to office following the expiration of the current, outgoing directors' terms.

Mr. Pagan discussed that the Board had approved entering into a contract with Harris County (the "County") to administer the District's 2022 Directors Election.

Following review and discussion, Director Blackwell moved to (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors; (2) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office; and (3) cancel the contract with the County for election services for the May 2022 Directors Election. Director Shook seconded the motion, which passed unanimously.

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





Secretary, Board of Directors

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