

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

May 17, 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 May 17, 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 Director Vassar, thus constituting a quorum.

Also present at the meeting were: Mike Scott of Champions Hydro-Lawn ("Champions"); Mike Terechenok of Pinto Realty Development, Inc.; Drew Tiffany and John Jaeger of BGE, Inc. ("BGE"); Marissa Iguess of Myrtle Cruz, Inc.; Rich Rankin of H2O Innovation; Kristen Scott of Bob Leared Interests ("Bob Leared"); and Robert A. Seale, Sandra Staine, and Alyssa Ollwerther of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the April 19, 2022, regular meeting. After review and discussion, Director Beauchamp moved to approve the minutes as presented. Director May seconded the motion, which passed by unanimous vote.

TRAVEL REIMBURSEMENT GUIDELINES AND ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE

As there were no directors attending the AWBD summer conference, the Board took no action and moved on to the next agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Iguess reviewed the bookkeeper's report, including the investment report and list of checks presented for payment, a copy of which is attached. Ms. Iguess reviewed two revisions to the budget, including the increased line item for the construction of Fallbrook Drive, and the increased line item for City of Houston (the "City") impact fees. Next, she presented paperwork from Central Bank to open an account for operations collections funds. Following review and discussion, Director Beauchamp moved to approve the bookkeeper's report and payment of the bills, including the additional check presented; (2) adopt the amended budget as discussed for fiscal year end September 30, 2022; and (3) authorize Myrtle Cruz to open an account with Central Bank. 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 99.3% collected as of April 30, 2022. 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.

OPERATOR'S REPORT

Mr. Rankin reviewed the operator's report for April, a copy of which is attached, and discussed operational matters in the District. He stated water accountability for the previous month was 94.26%.

Mr. Rankin updated the Board on correspondence with the City regarding delays in invoicing for certain sanitary sewer payments.

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.

CONSUMER CONFIDENCE REPORT

Mr. Rankin reviewed the Consumer Confidence Report ("CCR"), a copy of which is attached, regarding the quality of the District's water and stated that it will be filed with the TCEQ and distributed to District residents by July 1, 2022. After review and discussion, Director Beauchamp made a motion to approve the CCR and authorize it to

be distributed to the District's residents as discussed. Director Stein seconded the motion, which carried unanimously.

CITY OF HOUSTON INDUSTRIAL USER PERMITTING MATTERS

Ms. Staine and Mr. Seale updated the Board on 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 the Traffic Signal at Greens Crossing Boulevard and Fallbrook Drive.

Mr. Tiffany updated the Board on the construction of the drainage and paving for Fallbrook Drive Street Dedication, Section 2. He reviewed and recommended approval of Change Order No. 1 to the contract with WadeCon, LLC ("WadeCon") for to increase the contract in the amount of \$61,600.00, for additional costs related to the cast-in-place culvert option. Mr. Tiffany added that the BGE recommends approving this change order due to inflated construction costs continuing to rise and the delay in delivery of the materials for the box culvert construction portion of the project. The Board determined that Change Order No. 1 is beneficial to the District.

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 BGE is preparing plans for initial submittal.

Mr. Tiffany updated the Board on the construction of lift station no. 1 rehabilitation.

Mr. Tiffany updated the Board on the status of the Greens Crossing Detention Basin Expansion. He reviewed and recommended approval of a proposal submitted by Raba Kistner, in the amount of \$6,400.00, for construction materials observations and testing services.

Mr. Tiffany updated the Board on the status of the Greens Crossing Drainage System ATLAS 14 Analysis. He stated that BGE has addressed comments from and resubmitted report to Harris County Flood Control for approval.

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

Mr. Tiffany updated the Board on the preparation of bond application no. 10, noting that the application is under peer review at the TCEQ.

After review and discussion, Director Beauchamp moved to (1) approve the engineer's report; (2) approve Change Order No. 1 in the amount of \$61,600.00 as an increase to the contract with WadeCon, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; and (3) approve the proposal submitted by Raba Kistner, in the amount of \$6,400.00, for construction materials observations and testing services for Greens Crossing Detention Basin Expansion. 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

CERTIFICATE OF ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Mr. Brad Beauchamp and Mr. Jeff Stein to the Board of Directors of the District each for a four-year term. After review and discussion, Director Beauchamp moved to approve the Certificate of Election and the distribution of same to Directors Beauchamp and Stein, and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed by unanimous vote.

DIRECTORS' SWORN STATEMENTS AND OATHS OF OFFICE

Mr. Seale reviewed the Sworn Statements and Oaths of Office for Directors Beauchamp and Stein. After review and discussion, Director Beauchamp moved that the Board approve the Sworn Statements and Oaths of Office and direct that the documents be filed in the official records of the District, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director Stein seconded the motion, which passed by unanimous vote.

REORGANIZE THE BOARD

The Board concurred not to reorganize the Board.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ") reflecting the terms of the newly elected directors. Following review and discussion, Director Beauchamp made a motion to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Stein seconded the motion which passed by unanimous vote.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on June 21, 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.



A handwritten signature in black ink, appearing to be "M", is written above a horizontal line.

Secretary, Board of Directors

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