

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 371

Minutes of Meeting of Board of Directors
July 22, 2022

The meeting of the Board of Directors (“Board”) of Harris County Municipal Utility District No. 371 (“District”) met at BlackHorse Ranch Golf Club, Cypress Texas 77433 in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

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

and the following absent:

Brad Davidsen, Vice President
Marta Galan, Assistant Secretary

Also present were Ms. Shammarie Leon, tax assessor-collector for the District; Ms. Demitra Berry, bookkeeper for the District; Ms. Megan Jordan, engineer for the District; Mr. Chris Townsend, operator for the District; and Deputy Thomas Polson.

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 June 28, 2022. Upon motion duly made and seconded, and unanimously carried, the Board approved the minutes, pending revisions provided by Ms. Berry to the attorneys.

3. No developers were present.

4. Ms. Berry presented the bookkeeper’s report. The Board reviewed the report in detail. Subject to that discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the report as presented.

5. The Board considered the Resolution Adopting the Operating Budget. The Board reviewed the Budget in detail. Ms. Berry noted that she had received consultant feedback and made appropriate revisions. Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution and adopted the budget as revised.

6. The Board considered the Resolution Adopting Operating Budget for Joint Water Plant. After discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution as presented.

7. Ms. Leon presented the tax assessor collector’s report. The report showed 99.1% collections for 2021 taxes, although Ms. Leon noted that as of today's date collections were 99.41%. The 2021 certified taxable value in the District changed slightly and was reported in the amount of \$333,818,126.00. The Board discussed the delinquent account list. 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.

8. The Board recognized Chris Townsend of Inframark who presented the operator's report. The report showed 96.5% water accountability. The operator informed the Board that the HAZOP review was ongoing, and that he was waiting on the finalized agreement between the District and Remington MUD in order to proceed with the clarifier project. The operator also informed the District that since the drought contingency plan had been enacted, that peak water demand was reduced, and that the District's water wells are proving sufficient water to meet demand since the WHCRWA reduced the volume supplied through their connection. 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. Ms. Jordan presented the engineer's report. She noted that the HAZOP analysis of high risk items is planned for the second week of August. She also discussed that Prologis has requested temporary water and sewer service for their Phase 1 development. She provided the Board with information regarding current plant capacities and a recommendation to re-rate the wastewater treatment plan via application to TCEQ at a cost of \$10,000. She also presented the prospective costs to perform an engineering analysis to determine what measures would be needed to meet Prologis' water requirements during Phase 1 construction. This effort would require updating the District's water model at a cost of \$15,000. Additionally, the District would have to engage a hydrogeologist to assess the current wells and determine if any improvements could be made to increase capacity. The engineer is waiting on a proposal to determine the cost of the well assessments. The Board considered these action items, and approved a motion to authorize preparation of a water model update, wastewater re-rate application, and well assessment with the following provisions:

- a. the Board directed the engineer to obtain the hydrogeologist's proposal for the well assessment work;
- b. the engineer to present the total cost (hydrogeology study, plus the \$25,000 to update the water model and apply to TCEQ for the wastewater treatment plant rerating) to Prologis;
- c. the engineer to obtain a deposit from Prologis for the total cost of those three items; and
- d. the bookkeeper to immediately invoice Prologis for that total cost.

Upon motion duly made, seconded, and unanimously carried, the Board approved the engineer's report as presented.

10. Officer Polson briefly updated the Board on security, noting that the past month showed no activity of major concern.

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



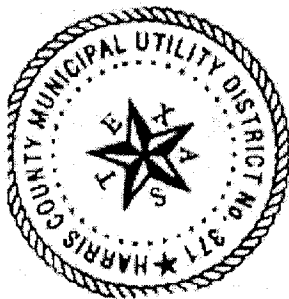
Secretary

**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 **Black Horse Golf Club, 12205 Fry Road, Cypress Texas.**

The meeting will be held at **12:00 noon on Friday, July 22, 2022.**

1. Public comments
2. Approve minutes of Board meeting held on June 28, 2022
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. Resolution Adopting Operating Budget for F.Y.E. 08/31/2023
6. Resolution Adopting Operating Budget for Joint Water Plant for F.Y.E. 08/31/2023
7. 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; Depository Pledge Agreement
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
10. Security report
11. Pending business, including:
 - a. Recycling Proposal





J. Davis Borham, Jr.
Attorney for the District