

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

February 21, 2023

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 the 21st day of February, 2023, 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 Beauchamp, thus constituting a quorum.

Also present at the meeting were: Mike Terechenok of Pinto Realty Development, Inc. ("PRDI"); Mike Scott of Champions Hydro-Lawn ("Champions"); Drew Tiffany of BGE, Inc. ("BGE"); Jackie Noyola of Myrtle Cruz, Inc.; Howard Wilhite 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 January 17, 2023, regular meeting. After review and discussion, Director May moved to approve the minutes as presented. Director Stein seconded the motion, which passed by unanimous vote.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board noted that no directors had attended the AWBD winter conference and discussed attendance at the AWBD summer conference. After review and discussion, Director May moved authorize all interested directors to attend the AWBD

summer conference. Director Stein seconded the motion, which carried by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Noyola reviewed the bookkeeper's report, including the investment report and list of checks presented for payment, a copy of which is attached. Messrs. Seale, Tiffany, and Terechenok discussed payment of Payment No. 3, in the amount of \$415,399.50, payable to PLD Construction, and reimbursement to the District from PRDI for pay estimates in connection with the project. Following review and discussion, Director May moved to approve the bookkeeper's report and payment of the bills. 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 2022 taxes were 95.4% collected as of January 31, 2023. After review and discussion, Director May 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.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Seale reviewed a Resolution Concerning Exemptions from Taxation. After review and discussion, Director May moved to adopt a Resolution Concerning Exemptions from Taxation reflecting that the Board of Directors rejects any exemptions for residential homesteads from ad valorem taxation, 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.

OPERATOR'S REPORT

Mr. Wilhite reviewed the operator's report for January, a copy of which is attached, and discussed operational matters in the District. He stated water accountability for the previous month was 99.42%.

After review and discussion, Director May 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 OF HOUSTON INDUSTRIAL USER PERMITTING MATTERS

Mr. Seale provided an update regarding the status of the Buckhead Meat and Seafood billing matter.

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. After review and discussion, Director May moved to approve the report on the maintenance of detention ponds and District facility sites. Director Stein seconded the motion, which passed by unanimous vote.

DEVELOPMENT MATTERS

Mr. Terechenok reported 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 and status of power to the Traffic Signal at Greens Crossing Boulevard and Fallbrook Drive. He reviewed and recommended approval of Change Order No. 1 to the contract with CityLynx to increase the contract in the amount of \$137.15 for additional items due to Harris County and CenterPoint Energy delays in installing the meter for signal power and removal of items not necessary for the completion 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 the drainage and paving for Fallbrook Drive Street Dedication, Section 2. He reviewed and recommended approval of Pay Estimate No. 7, in the amount of \$142,300.80, payable to WadeCon, LLC ("WadeCon"). He reviewed and recommended approval of Change Order No. 2 to the contract with WadeCon to increase the contract in the amount of \$41,060.00 for additional items needed to complete the project. The Board determined that Change Order No. 2 is beneficial to the District.

Mr. Tiffany updated the Board on the construction of lift station no. 1 rehabilitation. He reviewed and recommended approval of Pay Estimate No. 2, in the amount of \$86,520.60, payable to T&G Services ("T&G").

Mr. Tiffany updated the Board on the construction of Greens Crossing Detention Basin Expansion. He reviewed and recommended approval of Pay Estimate No. 3, in the amount of \$415,399.50, payable to PLD Construction ("PLD").

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.

Mr. Tiffany updated the Board on the status of 2023 Capital Improvement Plan facility improvements and coordination with H2O on same. Mr. Tiffany noted that BGE will defer any action on expanding the driveway to water well no. 2.

The Board discussed development in the District including the construction of water well no. 3. In connection with same, Mr. Tiffany reviewed a proposal submitted by BGE for engineering proposal fees for the construction of a driveway to water well no. 3 basic services, in the amount of \$28,600.00.

Mr. Tiffany updated the Board on bond application no. 11.

After review and discussion, Director May moved to (1) approve the engineer's report; (2) approve Change Order No. 1 in the amount of \$137.15 as an increase to the contract with CityLynx, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation, for the construction of power to the Traffic Signal at Greens Crossing Boulevard and Fallbrook Drive; (3) approve Pay Estimate No. 7, in the amount of \$142,300.80, payable to WadeCon, and approve Change Order No. 2 in the amount of \$41,060.00 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, for the construction of the drainage and paving to serve Fallbrook Drive Street Dedication, Section 2; (4) approve Pay Estimate No. 2, in the amount of \$86,520.60, payable to T&G, for the construction of lift station no. 1 rehabilitation; (5) approve Pay Estimate No. 3, in the amount of \$415,399.50, payable to PLD, for the construction of Greens Crossing Detention Basin Expansion; and (6) approve the proposal submitted by BGE in the amount of \$28,600.00 for basic services in connection with the construction of a driveway to the water well no. 3 site. 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.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on March 21, 2023, at 11:00 a.m., at the offices of ABHR.

OPERATIONS MATTERS CONT'D

Mr. Seale provided an update on sanitary sewer invoicing matters with the City. Discussion ensued regarding truing up outstanding amounts owed to the City and processes related to same, including amending the budget at the next regular Board meeting.

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



Secretary, Board of Directors

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