

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

August 14, 2023

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 August, 2023, 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:

George Porter	President
John Sachs	Vice President
Catherine Shook	Secretary
Kevin Force	Asst. Vice President
William "Gabe" Blackwell	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Rachel Broom, a resident of the District; Simon Van Dyk of Touchstone District Services ("Touchstone"); Justin Wagner of R.G. Miller Engineers, Inc. ("RG Miller"); Demitra Berry of McLennan & Associates, LP ("McLennan"); Debbie Arellano of Bob Leared Interests ("BLI"); Randy Davila of Inframark Water & Infrastructure Services ("Inframark"); and Christina Miller and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

The Board opened the meeting for public comments.

Ms. Broom introduced herself to the Board and expressed concerns regarding new development adjacent to the District. She requested that the Board consider denying any capacity request that the developer may inquire about. Ms. Broom also requested that the Board consider holding meetings in the District.

There being no further 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 July 10, 2023, regular meeting and the minutes of the August 1, 2023, special meeting. After review and discussion, Director Shook moved to approve the minutes of the July 10, 2023, regular meeting and

the minutes of the August 1, 2023, special meeting, as submitted. Director Blackwell seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Berry reviewed the bookkeeper's report, a copy of which is attached, and presented the District's bills for payment. Following review and discussion, Director Shook moved to approve the bookkeeper's report and payment of the District's bills. Director Force seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Arellano reviewed the tax assessor/collector's report, delinquent tax report, and checks presented for payment from the tax account. A copy of the tax assessor/collector's report is attached. Following review and discussion, Director Shook moved to approve the tax assessor/collector's report and payment of the bills from the tax account. Director Blackwell seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR

Ms. Miller discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2023 tax year.

Following review and discussion, Director Shook moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developed district for the 2023 tax year, pursuant to Section 49.23602 for Developed, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Sachs seconded the motion, which passed unanimously.

NEW DEVELOPMENT ADJACENT TO DISTRICT

Mr. Wagner updated the Board regarding potential new development on a tract adjacent to the District and stated that a Utility Commitment Letter is currently being drafted.

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 on future capital improvement projects and stated that RG Miller is coordinating a list of projects for Board consideration at a future meeting. Following review and discussion, Director Shook moved to approve the engineering report. Director Blackwell seconded the motion, which passed unanimously.

LAKE AND TURF MANAGEMENT REPORT, INCLUDING APPROVAL OF PROPOSALS FOR NECESSARY REPAIRS OR REPLACEMENTS, IMPROVEMENTS, RENEWAL OF PERMITS, OR LANDSCAPING AGREEMENTS

There was no discussion on this item.

MASTER PARK PLAN AND FUTURE PARK DEVELOPMENT

The Board reviewed a KGA report, a copy of which is attached.

Ms. Lee stated that bids were received for the lighting around the lakes in the District. Ms. Lee recommended that the Board award the contract to Landecor, LLC ("Landecor") in the amount of \$991,515.00. The Board concurred that, in its judgment, Landecor was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Porter moved to award the contract the lighting around the lakes in the District to Landecor in the amount of \$991,515.00, based upon the landscape architect's recommendation and subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Blackwell seconded the motion, which passed unanimously.

Ms. Lee then updated the Board regarding sidewalks in the District and any potential partnerships for installation with Harris County Precinct No. 3.

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

Mr. Davila reviewed a resident request for an adjustment to their water bill due to a leak at the resident's home. He stated the leak was on the resident's side of the meter. Discussion ensued. Following review and discussion, the Board concurred to deny the resident's request, due to lack of permissible reason under the Amended Rate Order.

Mr. Davila reviewed the operator's report for July 2023, a copy of which is attached and requested authorization to refer five delinquent accounts to collections.

The Board next considered termination of utility service to delinquent accounts. Mr. Davila 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.

Mr. Davila stated that booster pump no. 3 at water plant no. 1 requires repair or replacement. He reviewed a proposal to repair the booster pump for a cost of \$12,160.00 or to replace the booster pump for a cost of \$13,928.00, a copy of which is attached to the operator's report.

Following review and discussion, Director Blackwell moved (1) to approve the operator's report; (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; and (3) to replace booster pump no. 3 at water plant no. 1 for a cost of \$13,928.00. Director Force seconded the motion, which passed unanimously.

GARBAGE COLLECTION MATTERS

There was no discussion on this item.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

SECURITY MATTERS

The Board discussed security matters in the District.

WEBSITE MATTERS AND COMMUNITY OUTREACH

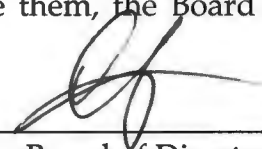
Mr. Van Dyk updated the Board on website matters.

MEETING DATES

Ms. Miller discussed meeting location options with the Board. Discussion ensued regarding adding a call-in number to the agenda. Following discussion, the Board concurred to hold the next regular meeting date on September 11, 2023, at ABHR and to include a call-in number on the agenda.

There being no further business to come before them, the Board concurred to adjourn the meeting.





Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report	2
Engineering report.....	3
KGA report	3
Operator's report.....	3