

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

March 19, 2024

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 19th day of March, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, 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 Directors Vassar and May, thus constituting a quorum.

Also present at the meeting were: Marissa Iguess of Myrtle Cruz, Inc.; Chip Patronella of Champions Hydro-Lawn ("Champions"); Drew Tiffany of BGE, Inc. ("BGE"); Calvin Browne of Municipal District Services ("MDS"); Kristen Scott of Bob Leared Interests ("BLI"); and Sandra Staine and Alyssa Peruchini of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the February 20, 2024, regular meeting. After review and discussion, Director Beauchamp moved to approve the minutes as presented. Director Stein seconded the motion, which passed by unanimous vote.

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. Following review and discussion, Director Beauchamp moved to approve the bookkeeper's report and payment of the bills. Director Stein seconded the motion, which passed by unanimous vote.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Staine stated that no changes are required at this time.

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 2023 taxes were 98.6% collected as of February 29, 2024. Following review and discussion, Director Beauchamp moved to approve the tax collection report and payment of the tax bills. Director Stein seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Staine reviewed a Resolution Concerning Exemptions from Taxation. After review and discussion, Director Beauchamp 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. Browne reviewed the operator's report, a copy of which is attached, and discussed operational matters in the District. He stated water accountability for the previous month was 97.31%. Mr. Browne updated the Board on the maintenance of District facilities.

After review and discussion, Director Beauchamp moved to approve the operator's report. Director Stein seconded the motion, which passed by unanimous vote.

DROUGHT CONTINGENCY PLAN MATTERS

Ms. Staine stated that the Texas Commission on Environmental Quality rules require that the District review and adopt an Amended and Restated Drought Contingency Plan in 2024, prior to May 1st. Next, Ms. Staine reviewed an Amended and Restated Drought Contingency Plan with the Board. After review and discussion, Director Beauchamp moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed by unanimous vote.

WATER CONSERVATION PLAN MATTERS

The Board concurred to defer any action on this agenda item until the April Board meeting.

REVIEW EMERGENCY PREPAREDNESS PLAN AND AUTHORIZE FILING OF UPDATES, IF NECESSARY

Mr. Tiffany discussed the District's Emergency Preparedness Plan and requirements to file any updates with the Texas Commission on Environmental Quality ("TCEQ"). Ms. Staine stated the District is required to update the personnel and contact information listed in the EPP and submit the updated pages to the TCEQ and other required entities. After discussion, Director Beauchamp moved to authorize BGE to update the necessary personnel and contact information and submit the updated pages to all required entities. Director Stein seconded the motion, which passed unanimously.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT FACILITIES AND AUTHORIZE ANNUAL FILING

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Staine noted that the critical load information on the District's facilities is required to be reviewed at least annually and provided to certain entities, which include the District's electricity provider, the Public Utility Commission, and other governmental entities. After review and discussion, Director Beauchamp made a motion to approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Stein seconded the motion, which carried by unanimous vote.

HEARING ON TERMINATION OF SERVICE

The Board conducted a hearing on the termination of utility service. Mr. Browne reported that the residents on the termination list provided to the Board were mailed written notice prior to the meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board 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 Beauchamp moved that since the residents on the termination list were neither present at the teleconference meeting nor had presented any statement on the matter, utility service should be terminated in accordance with the procedures set forth in the District's Rate Order, as appropriate. Director Stein seconded the motion, which passed unanimously.

THE CITY OF HOUSTON INDUSTRIAL USER PERMITTING MATTERS

There was no discussion on this agenda item.

MAINTENANCE OF DETENTION PONDS AND DISTRICT FACILITY SITES, INCLUDING PROPOSALS FOR ADDITIONAL WORK

Mr. Patronella reviewed the report on the maintenance of detention ponds and District facility sites, a copy of which is attached. He reviewed a proposal for the clearing of debris, removal of underbrush, removal of certain trees, and installation of bollards and cable, in the amount of \$19,280.00. Following review and discussion, Director Beauchamp moved to (1) approve the report on the maintenance of detention ponds and District facility site; and (2) approve the proposal for the clearing of debris, removal of underbrush and certain trees, and installation of bollards and cable, in the amount of \$19,280.00. Director Stein seconded the motion, which carried unanimously.

DEVELOPMENT MATTERS

There was no update on development matters.

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 water well no. 3 driveway project. He reviewed and recommended approval of Pay Estimate No. 3, in the amount of \$158,233.50, payable to Cooley Construction.

Mr. Tiffany updated the Board on the construction of water well no. 3 and water well no. 3 water line extension project.

Mr. Tiffany updated the Board on the District's Capital Improvement Plan, including the addition of Harris County Municipal Utility District No. 406's lift station no. 2.

Mr. Tiffany updated the Board on the status of lead and copper rule revision inventory related work.

Mr. Tiffany updated the Board on the design status of the water plant no. 1 rehabilitation to ground storage tank nos. 1 and 2 and hydropneumatics tank nos. 1 and 2.

After review and discussion, Director Beauchamp moved to approve the engineer's report; and (2) approve Pay Estimate No. 3, in the amount of \$158,233.50, payable to Cooley Construction, for the construction of water well no. 3 driveway project. 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.

2024 DIRECTORS ELECTION

Ms. Staine discussed procedures related to the 2024 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 4, 2024, Directors Election.

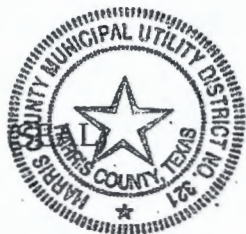
Ms. Staine presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office ("Order Cancelling") stating that the May 7, 2024, Directors Election is cancelled and that the unopposed candidates Kimberly Olsen, Matthew May, and John Vassar are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. She reviewed the posting requirements for the Order Cancelling.

Following review and discussion, Director Beauchamp moved to (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records; and (2) adopt the Order Cancelling, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that the Order Cancelling be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed unanimously.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on April 16, 2024, at 11:00 a.m., at the offices of ABHR.

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





Secretary, Board of Directors

LIST OF ATTACHMENTS

	Minutes
	<u>Page</u>
Bookkeeper's report.....	1
Tax assessor/collector's report	2
Operator's report.....	2
Critical load spreadsheet.....	3
Report on maintenance of detention ponds and District facility sites	4
Engineer's report.....	4