

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

July 16, 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 16<sup>th</sup> day of July, 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 Olsen	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: Julie Doan of Doan & Associates; Marissa Iguess of Myrtle Cruz, Inc.; Mike Terechenok of Pinto Realty Development, 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 Robert A. Seale, Kelly Hanen, 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 May 21, 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.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") CONFERENCE

The Board noted that no directors had attended the AWBD Summer Conference. Mr. Seale discussed the District's Travel Reimbursement Guidelines in connection with the upcoming AWBD winter conference, and discussion ensued regarding specific expenses eligible and ineligible for the conference.

## 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.

## BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2025

Ms. Iguess stated that MCI is continuing to prepare the budget for fiscal year end September 30, 2025.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Scott reviewed the tax assessor/collector's report for the months of May and June, copies of which are attached. She stated that the District's 2023 taxes were 99.4% collected as of June 30, 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.

## RESOLUTION REGARDING DEVELOPMENT STATUS FOR TAX YEAR 2024

Mr. Seale 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. He 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 Developing District for the 2024 tax year.

Following review and discussion, Director Beauchamp moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developing District for the 2024 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed unanimously.

## 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 105.23%. Mr. Browne updated the Board on the maintenance of

District facilities and customer account matters.

Mr. Browne updated the Board inclement weather from Hurricane Beryl and its effects on District facilities, noting that there was no disruption of service.

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 delinquent accounts this month.

#### 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. Following review and discussion, Director Beauchamp moved to approve the report on the maintenance of detention ponds and District facility sites. Director Stein seconded the motion, which carried unanimously.

#### DEVELOPMENT MATTERS

Mr. Terechenok and the Board discussed certain development matters.

#### ANNEXATION MATTERS

Mr. Tiffany updated the Board on the proposed annexation of an approximately 17-acre tract south of West Road. Following discussion, Director Beauchamp moved to (i) authorize BGE to prepare the feasibility report, subject to receipt of the deposit from the landowner, and (ii) approve and authorize entering into an annexation letter agreement for the 17-acre tract, subject to final review, in the event that the annexation is determined to be feasible. Director Stein seconded the motion, which carried unanimously.

Ms. Doan introduced herself to the Board and presented an additional annexation request for a tract of land at 433 West Road into the District where a gas station is proposed to be constructed.

The Board and Mr. Tiffany discussed the timing of the feasibility study for the 17-acre tract and concurred to take no action on the gas station site until the feasibility study for the 17-acre tract is complete.

### 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. 5, in the amount of \$1,350.00, payable to Cooley Construction, LLC ("Cooley Construction").

Mr. Tiffany updated the Board on the construction of water well no. 3.

Mr. Tiffany stated that bids were received for construction of water well no. 3 water line extension project. He recommended that the Board award the contract to Bull-G Construction, LLC ("Bull-G") in the amount of \$703,802.00. The Board concurred that, in its judgment, Bull-G 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. The Board directed Ms. Iguess to amend the District's proposed budget for fiscal year end September 30, 2025, to include the District's share of the water well no. 3 water line extension project.

Mr. Tiffany updated the Board on the District's Capital Improvement Plan.

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 hydropneumatic tank nos. 1 and 2.

Mr. Tiffany stated that Fallbrook Utility District ("Fallbrook UD") received water from the District through the emergency interconnect waterline and discussed certain interconnect matters.

After review and discussion, Director Beauchamp moved to approve the engineer's report; (2) approve Pay Estimate No. 5, in the amount of \$1,350.00, payable to Cooley Construction, for the construction of water well no. 3 driveway project; and (3) award the contract for construction of water well no. 3 water line extension project to Bull-G in the amount of \$703,802.00, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Stein seconded the motion, which carried unanimously.

### MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on August 20, 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

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