

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

July 16, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 391 (the "District") met in regular session in person and by teleconference, open to the public, on the 16th day of July, 2024, 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
Rachel Broom	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 in person or by teleconference were Sergeant Setterbo of Harris County Sheriff's Office; Michael Kim of MAK Development Group ("MAK"); Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Danae Dehoyos of Touchstone District Services ("Touchstone"); Shawn Pachlhofer of R.G. Miller Engineers, Inc. ("RG Miller"); Veronica Hernandez of McLennan & Associates, LP ("McLennan"); Debbie Arellano of Bob Leared Interests ("BLI"); Randy Davila of Inframark Water & Infrastructure Services ("Inframark"); and Greer Pagan, Kelly Hanen, Andrew Vaughan (representing MAK), and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

The Board opened the meeting for public comments. There being no 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 June 10, 2024, regular meeting. After review and discussion, Director Blackwell moved to approve the minutes, as presented. Director Shook seconded the motion, which passed unanimously.

SECURITY MATTERS

Sergeant Setterbo updated the Board on security matters in the District.

FINANCIAL AND BOOKKEEPING MATTERS

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

NEW DEVELOPMENT ADJACENT TO DISTRICT

Mr. Pagan updated the Board regarding the potential new development on a tract adjacent to the District. Mr. Pagan then reviewed a draft Utility Agreement between MAK on behalf of Harris County Municipal Utility District No. 592 ("HC592") and the District. Discussion ensued regarding the Board's concerns and requests to be included in the agreement. Mr. Kim and Mr. Vaughan discussed various changes to the draft agreement and the Board stated that they would like to discuss this further in executive session with Mr. Pagan.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY

At 12:56 p.m., Mr. Pagan announced that the Board would meet in executive session pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with the Attorney to seek legal advice.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 1:11 p.m. Discussion ensued regarding the potential new development adjacent to the District and the timeline of approving the draft Utility Agreement.

NEW DEVELOPMENT ADJACENT TO DISTRICT (CONT'D)

Mr. Pagan continued discussing the requests from the Board for the Utility Agreement. Discussion ensued regarding appointing a sub-committee to review the final changes to the Utility Agreement once it is circulated. Following review and discussion, Director Blackwell moved to (1) appoint Directors Porter and Blackwell as the sub-committee to review the final Utility Agreement; and (2) approve the Utility Agreement, subject to incorporating the changes discussed and final review by the sub-committee. Director Porter seconded the motion, which passed 4 - 0 with Director Broom abstaining from the vote.

REORGANIZE THE BOARD

The Board considered reorganizing the Board. After discussion, Director Porter moved to reorganize the Board as following:

George Porter	President
William "Gabe" Blackwell	Vice President
Catherine Shook	Secretary
Kevin Force	Assistant Vice President
Rachel Broom	Assistant Secretary

Director Force seconded the motion, which passed unanimously.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new positions of office. Following review and discussion, Director Porter moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Force seconded the motion, which passed unanimously.

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

The Board discussed the AWBD summer conference and considered authorizing attendance at the winter conference. After discussion, Director Porter moved to approve reimbursement of all eligible expenses for Directors who attended the summer conference, which the District's bookkeeper confirmed are in compliance with the District's Travel Reimbursement Guidelines, and to authorize attendance of any interested Directors at the winter conference. Director Blackwell 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 Force moved to approve the tax assessor/collector's report and payment of the bills from the tax account. Director Porter seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Mr. Pagan 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 Developed District for the 2024 tax year.

Following review and discussion, Director Blackwell moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developed district for the 2024 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 Porter seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Pachlhofer reported on engineering projects within the District. A copy of the engineering report is attached. He 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. Discussion ensued regarding appointing a sub-committee to review and discuss capital improvement projects. Following review and discussion, Director Poter moved to (1) approve the engineering report; and (2) appoint Directors Blackwell and Broom as the sub-committee to discuss capital improvement plan matters with the engineer. Director Force seconded the motion, which passed unanimously.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

Mr. Pachlhofer reviewed correspondence from the North Harris County Regional Water Authority (“NHCRWA”) regarding proposed acquisitions of a Right of Way and easement for Parcel 37F-1, Parcel 37F-5, and Parcel 37F-8. He stated that the NHCRWA has provided an offer to purchase the Right of Ways and easements in the District for a sum of \$13,576.00, \$9,900.00, and \$9,395.00 for each parcel, respectively. Discussion ensued regarding the conditions of each parcel and appointing a sub-committee to review the parcels with the engineer. Following review and discussion Director Porter moved to appoint Directors Blackwell and Broom as the sub-committee to discuss these parcels with the engineer. Director Force 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

The Board reviewed correspondence from Earthcare Management (“Earthcare”) regarding debris removal in the District following Hurricane Beryl. Mr. Pagan noted that Earthcare is requesting that the Board cover the cost of the hauling the debris for a cost of \$105.00 per load and stated that they have hauled off two loads. Following review and discussion, the Board concurred to cover the hauling cost of \$210.00.

MASTER PARK PLAN AD FUTURE PARK DEVELOPMENT

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

Ms. Lee updated the Board on the sidewalk enhancement project that is partnered with Harris County Precinct No. 3 (the “County”). She reviewed questions from the County and stated she will circulate a draft agreement for review.

The Board next considered approval of Pay Estimate No. 9 in the amount of \$74,150.10 payable to Landecor for the trail lighting project, as recommended by the landscape architect.

Following review and discussion, Director Porter moved to (1) approve the KGA report; and (2) approve Pay Estimate No. 9 in the amount of \$74,150.10 for the trail lighting project. Director Blackwell seconded the motion, which passed unanimously.

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

Mr. Davila reviewed the operator’s report for June 2024, a copy of which is attached and requested authorization to refer six delinquent account to collections.

Mr. Davila reviewed a proposal for a portable generator for use at the lift stations for an estimated cost of \$104,765.84.

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.

Following review and discussion, Director Porter moved (1) to approve the operator's report; (2) to approve the proposal for a portable generator for an estimated cost of \$104,765.84; and (3) to not terminate utility service for the month of July due to Hurricane Beryl. Director Blackwell seconded the motion, which passed unanimously.

GARBAGE COLLECTION MATTERS

The Board discussed garbage collection matters and debris collection from Hurricane Beryl.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

RENEWAL OF INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES

The Board discussed the Interlocal Agreement for Law Enforcement Services from Harris County. Discussion ensued regarding the number of officers patrolling.

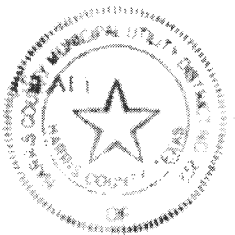
WEBSITE MATTERS AND COMMUNITY OUTREACH

Ms. Dehoyos updated the Board on website matters.

MEETING DATES

The Board concurred to hold the next regular meeting on August 12, 2024, 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

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