

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

September 9, 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 9th day of September, 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 Tory Johnson, a resident of the District; Lieutenant Rodriguez of Harris County Sheriff's Office; Avni Patel of Forvis Mazars, LLC; Austin Ficken of Masterson Advisors; Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Shawn Pachlhofer 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 Greer Pagan 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 August 12, 2024, regular meeting. After review and discussion, Director Force moved to approve the minutes, as presented. Director Blackwell seconded the motion, which passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END MAY 31, 2024

Ms. Patel reviewed the District's draft audit for the fiscal year end May 31, 2024, and the associated management representation letter. Following review and discussion, Director Porter moved to (1) approve the audit, subject to final director and consultant

review; (2) authorize execution of the management representation letter; (3) authorize filing of the audit with all appropriate parties; and (4) direct that the audit and letter be filed appropriately and retained in the District's official records. 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 Porter 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.

#### 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 Force moved to approve the bookkeeper's report and payment of the District's bills. Director Broom seconded the motion, which passed unanimously.

#### DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2024 tax rate. Mr. Ficken distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 water, sewer, and drainage debt service tax rate of \$0.465 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$893,304,942.00, plus \$37,296,683.00 representing 80% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Ficken discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Porter moved to (1) set the public hearing date for October 14, 2024; and (2) authorize the tax assessor/collector to publish notice in the Houston Chronicle of the District's meeting on October 14, 2024, to set the proposed 2024 total tax rate of \$0.76 per \$100 of assessed valuation, with \$0.465 allocated for debt service on water, sewer, and drainage bonds and \$0.295 allocated for operations and maintenance. Director Shook 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.

## ENGINEERING MATTERS

Mr. Pachlhofer reported on engineering projects within the District. A copy of the engineering report is attached.

Mr. Pachlhofer reviewed a capital improvements plan ("CIP") with the Board, a copy of which is attached to the engineering report. Discussion ensued regarding recoating the interior of the ground storage tanks and hydropneumatic tanks in the District. Following review and discussion, Director Broom moved to authorize the engineer to solicit bids for the recoating of the interior of the ground storage tanks and hydropneumatic tanks, as proposed in the CIP. Director Porter seconded the motion, which passed unanimously.

Mr. Pachlhofer then reviewed proposals to repair the foundation at the District's water plants and discussion ensued. Following review and discussion, Director Porter moved to (1) approve the engineering report; and (2) approve the proposal from Olshan Foundation Solutions to repair the foundations for an approximate cost of \$24,013.00. 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, Parcel 37F-8, Parcel 37F-15, and Parcel 37F-13. 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, \$9,395.00, \$6,908.00, and 8,359.00 for each parcel, respectively. Discussion ensued regarding the conditions of each parcel. Following review and discussion, Director Broom moved to approve each easement parcel, subject to an acceptable tree plan being added to each easement. Director Shook 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 a proposal from Earthcare Management to replace trees damaged from Hurricane Beryl around the District for a cost of \$11,750.00, a copy of which is attached. Discussion ensued regarding inspecting the proposed areas for new trees. Following review and discussion, Director Broom moved to approve the proposal for \$11,750.00, subject Directors Shook and Force final approval. Director Blackwell seconded the motion, which passed unanimously.

## 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 recommended approving an additional sidewalk to the plan. Ms. Lee then updated the Board on the trail lighting project and discussion ensued. Following review and discussion, Director Porter moved to approve the KGA report; and (2) approve the additional sidewalk to the plan for the sidewalk enhancement 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 two requests from residents of the District requesting a waiver of the insufficient funds fee of \$25.00. Discussion ensued, and the Board concurred to approve a one-time waiver of the \$25.00 fee for each resident request.

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

Mr. Davila then reviewed proposals to replace the fence at lift station no. 4 and lift station no. 5. He stated to replace the fences with pine wood, the cost is \$10,810.00 each and to replace the fences with cedar wood, the cost is \$13,340.00 each.

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 Broom moved (1) to approve the operator's report; (2) authorize a one-time waiver of the \$25.00 insufficient funds fee for each resident request; (3) approve the proposals to replace the fence at lift station no. 4 and lift station no. 5 for a cost of \$13,340.00 each; and (4) 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. Director Blackwell seconded the motion, which passed unanimously.

Director Broom discussed concerns regarding members of the public utilizing the District facilities for private use. Following discussion, the Board concurred to enforce a policy of no private use on or at District non-recreational facilities.

GARBAGE COLLECTION MATTERS

There was no discussion on this item.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

SECURITY MATTERS

Lieutenant Rodriguez updated the Board on security matters in the District.

WEBSITE MATTERS AND COMMUNITY OUTREACH

There was no discussion on this item.

UPDATE FROM BOARD COMMITTEES

The Board discussed updates from each committee.

MEETING DATES

The Board concurred to hold the next regular meeting on October 14, 2024, at ABHR and to include a call-in number on the agenda.

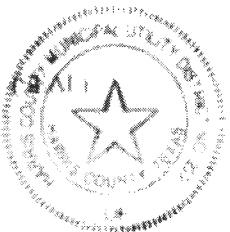
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY

The Board did not convene executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board did not convene in executive session.

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



  
Secretary, Board of Directors

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