

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

October 15, 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 15th day of October, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, 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
Dane Turner	Assistant Secretary

and all of the above were present, except Directors Vassar and Turner, 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 Robert A. Seale, Heather Kelly, 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 September 17, 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.

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 99.763% collected as of September 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.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Scott stated that Bob Leared Interests published a Notice of Public Hearing stating that the District anticipates levying a total tax rate of \$0.91 per \$100 of assessed valuation at this meeting.

Director Butler then opened the public hearing. No members of the public came forward to make comments. Director Butler then closed the public hearing.

Mr. Seale presented to the Board an Order Levying Taxes for 2024 reflecting a total tax rate of \$0.91 per \$100 of assessed valuation, comprised of \$0.485 for water, sewer, and drainage debt service, \$0.065 for road debt service, and \$0.36 for operations and maintenance. Mr. Seale next presented to the Board an Amendment to Information Form reflecting the 2024 tax rate. After review and discussion, Director Beauchamp moved to adopt the Order Levying Taxes as presented, approve and authorize execution of the Amendment to Information Form, and direct that the Order and the Amendment 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 95.31%. Mr. Browne updated the Board on the maintenance of District facilities and customer account matters.

Mr. Browne provided a brief overview of the District and regional facilities and responded to questions from the Board regarding same.

Mr. Browne updated the Board on the District's lead and copper service line inventory (the "Lead & Copper Inventory"), as reflected in the operator's report. Discussion ensued and the Board concurred to post the following notice to the public as part of these minutes:

Harris County Municipal Utility District No. 321 has completed the Lead & Copper Inventory as required by the EPA. Through records research and field investigation of the distribution system, it has been determined that the system has no lead service lines or galvanized requiring replacement service lines. The system has been determined as a non-lead community.

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

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 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 (THE "CITY") INDUSTRIAL USER PERMITTING MATTERS

There was no update 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. Mr. Patronella recommended that the Board approve the clearing of the remote well site, in the amount of \$150.00, as well as recommended that the Board approve adding this site to the District's annual maintenance budget, in the annual amount of \$3,600.00 to be cost shared with Harris County Municipal Utility District No. 406. Following review and discussion, Director Beauchamp moved to (1) approve the report on the maintenance of detention ponds and District facility sites; (2) approve the clearing of the remote well site, in the amount of \$150.00; and (3) amend the District's annual maintenance budget to include the remote well site, in the annual amount of \$3,600.00. Director Stein seconded the motion, which carried unanimously.

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 water line extension project.

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

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

Mr. Tiffany updated the Board on the capital improvement plan for the District.

After review and discussion, Director Beauchamp moved to approve the engineer's report. Director Stein seconded the motion, which carried unanimously.

DEVELOPMENT MATTERS

There was no update on development matters.

ANNEXATION MATTERS

Mr. Tiffany updated the Board on the status of the proposed annexation and reviewed a water and wastewater serviceability feasibility study for the approximately 17.8-acre tract. Messrs. Tiffany and Seale responded to questions from the Board. Following discussion, the Board directed Mr. Tiffany to prepare certain calculations related to potentially providing out-of-District service.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on November 19, 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

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