

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

November 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 November, 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, thus constituting a quorum.

Also present at the meeting were: Todd King of Panattoni Development Company, Inc. ("Panattoni"); Mindy Selby 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 October 15, 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. Selby 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 99.753% collected as of October 31, 2024. She inquired if the District would like to purchase an aerial photo of the District as of January 1, 2025, in the total amount of \$1,025.00, of which the District and Harris County Municipal Utility District No. 406 ("MUD 406") would each pay \$512.50. After review and discussion, Director Beauchamp moved to (1) approve the tax assessor/collector's report and the checks presented for payment; and (2) approve the purchase of the aerial photo. Director Stein seconded the motion, which passed by unanimous vote.

CONSIDER AMENDMENT TO CONTRACT FOR TAX COLLECTOR/ASSESSOR

Ms. Scott reviewed and recommended approval of an Amended and Restated Agreement for Services of Tax Assessor and Collector (the "Amended and Restated Agreement") with the Board and responded to questions related to same. After review and discussion, Director Beauchamp moved to approve and authorize execution of the Amended and Restated Agreement. 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 100.80%. Mr. Browne updated the Board on the maintenance of District facilities and customer account matters.

Mr. Browne reported that there was a motor failure at water well no. 2 and recommended the Board authorize replacement of same, in the amount of \$162,894.00. Mr. Browne reminded the Board that the total cost of the motor replacement will be cost shared with MUD 406. He added that MDS will be preparing and submitting an insurance claim for the motor failure as well.

Mr. Browne next requested that the Board authorize the installation of fiber internet and Starlink services at the District and Joint Facilities, in the total amount of \$6,500.00, noting that the total cost will be shared with MUD 406.

After review and discussion, Director Beauchamp moved to (1) approve the operator's report; (2) authorize the replacement of the motor at water well no. 2, in the total amount of \$162,894.00; and (3) authorize the installation of fiber internet and Starlink services at the District and Joint Facilities, in the total amount of \$6,500.00. 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

Mr. Seale updated the Board on certain industrial user permitting matters.

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. 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. He stated that the contractor, Bull G. Construction, has mobilized and is on site.

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. King introduced himself to the Board and responded to questions regarding the proposed development of the 17.8-acre site (the "Site") located at the southwest corner of Deer Trail and West Road, located just south of the District. Mr. Tiffany reviewed information regarding availability of water and sewer capacity for the Site. Messrs. Tiffany and Seale informed the Board that certain items will be required to provide service to the Site, including receipt of approval from the City Executive Director of Public Works Department, establishment of out-of-District water and sewer rates as part of an Amended Rate Order, and receipt from the developer of the Site of a non-taxable user fee. Following discussion, Director Beauchamp moved to (1) authorize preparation and execution of a District Out-of-Service Agreement; (2) authorize the District's engineer to prepare a Utility Commitment Letter for the Site; (3) authorize ABHR to coordinate approval and/or consent from the City; and (4) authorize MDS and BGE to work on the establishment of out-of-District services rates. 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 December 17, 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.



A handwritten signature in blue ink, appearing to be 'MO', written over a horizontal line.

Secretary, Board of Directors

LIST OF ATTACHMENTS

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