

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 321

February 17, 2026

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 17th day of February, 2026, 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 Director Vassar, thus constituting a quorum.

Also present at the meeting were Marissa Iguess of Myrtle Cruz, Inc. ("MCI"); 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 Elizabeth Cone and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of the January 20, 2026, regular meeting. After review and discussion, Director Beauchamp moved to approve the minutes as presented. Director Stein seconded the motion, which passed unanimously.

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 unanimously.

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 2025 taxes were 97.212% collected as of January 31, 2026. After review and discussion, Director Beauchamp moved to approve the tax assessor/collector's report and the checks presented for payment, including the additional check, as presented. Director Stein seconded the motion, which passed unanimously.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Cone presented and reviewed a resolution concerning optional exemptions from taxation, including a general residential homestead exemption and a homestead exemption for disabled persons or persons over 65 years of age. After review and discussion, Director Beauchamp moved to adopt a Resolution Concerning Exemptions from Taxation reflecting that the Board of Directors rejects all of the optional exemptions and to direct that the Resolution be filed appropriately and retained in the District's official records. Director Stein seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Ms. Cone 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. She 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 2026 tax year.

Following review and discussion, Director Beauchamp moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developed District for the 2026 tax year, pursuant to Section 49.23602, 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 96.99%. Mr. Browne updated the Board on the maintenance of

District facilities and customer account matters. After review and discussion, Director Beauchamp moved to approve the operator's report. Director Stein seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF SERVICE

The Board conducted a hearing on the termination of utility service. Mr. Browne reported that the customers 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 customers 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.

ENGINEER'S REPORT

Mr. Tiffany reviewed the engineer's report, a copy of which is attached.

Mr. Tiffany updated the Board on the canopy installation for the chemical tanks located at water plant no. 1.

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

There was no update on the Capital Improvements Plan.

Mr. Tiffany presented and reviewed an engineering services proposal from BGE for the rehabilitation of lift station no. 2 for an estimated cost of \$13,800.00.

Mr. Tiffany reported that certain project costs have been billed to the District that should have been billed to Harris County Municipal Utility District No. 406 ("HCMUD

No. 406"). He stated that a refund is being issued to the District and that HCMUD No. 406 will be billed accordingly.

Following review and discussion, Director Arendale moved to (1) approve the engineer's report; and (2) approve the engineering services proposal, as recommended. Director Harrison seconded the motion, which passed unanimously.

DEVELOPMENT MATTERS

There was no update on development matters.

MEETING SCHEDULE AND ITEMS FOR INCLUSION ON THE NEXT AGENDA

The Board concurred to hold its next regular meeting on March 17, 2026, at 11:30 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 "M", is written above a horizontal line.

Secretary, Board of Directors

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