

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

November 11, 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 11th day of November, 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
William “Gabe” Blackwell	Vice President
Catherine Shook	Secretary
Kevin Force	Asst. Vice President
Rachel Broom	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 Constable’s Office; Stephanie Lee of KGA/DeForest Design, LLC (“KGA”); Enrique Sanchez and Todd Elston of R.G. Miller Engineers, Inc. (“RG Miller”); Danae Dehoyos of Touchstone District Services (“Touchstone”); Demitra Berry and Olga Gomez 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 October 14, 2024, regular meeting. After review and discussion, Director Shook moved to approve the minutes, as presented. Director Blackwell seconded the motion, which passed unanimously.

SECURITY MATTERS

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

RENEWAL OF DISTRICT INSURANCE

The Board discussed the December 10, 2024, expiration of the District's current insurance coverage and reviewed insurance renewal proposals from McDonald and Wessendorff Insurance and Arthur J. Gallagher & Co. Following review and discussion, Director Porter moved to approve the renewal proposal from Arthur J. Gallagher & Co. and pay the invoice for the renewal premium. 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. Ms. Berry noted additional check nos. 1904 and 1905 in the amounts of \$44,465.85 and \$400.00, respectively. 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.

ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy, and Mr. Pagan stated that neither ABHR nor the bookkeeper have any recommended changes. After review and discussion, Director Blackwell made a motion to adopt a Resolution Regarding Annual Review of Investment Policy and to direct that a copy of the Resolution be filed and retained in the District's records. Director Shook seconded the motion, which passed unanimously.

ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Mr. Pagan reviewed a Resolution Establishing Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. He next reviewed a list of qualified broker/dealers provided by McLennan. After review and discussion, Director Shook moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Blackwell seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Mr. Pagan reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. He stated that the District is required to file certain financial and

operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (“EMMA”) system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Shook moved to approve the Annual Report, authorize the attorney to submit the District’s updated financial and operating data to EMMA in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Report be filed appropriately and retained in the District’s official records. Director Blackwell seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District’s procedures for continuing disclosure compliance. Mr. Pagan stated that no changes are required at this time.

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 Blackwell seconded the motion, which passed unanimously.

DISCUSS COST SHARING AGREEMENT WITH HOMEROWNERS ASSOCIATION FOR STREETLIGHTS, AND AUTHORIZE APPROPRIATE ACTION

The Board discussed potentially entering into a cost sharing agreement with the homeowners association for streetlights on Louetta and Cypresswood. Following discussion, the Board concurred to have Acclaim Energy review the meters to determine who maintains each light.

NEW DEVELOPMENT ADJACENT TO DISTRICT

Mr. Sanchez updated the Board regarding the potential new development on a tract adjacent to the District and stated that there are no new updates.

ENGINEERING MATTERS

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

Mr. Sanchez then updated the Board on the District’s lead and copper service line inventory (the “Lead & Copper Inventory”). After review, the Board concurred to post the following notice to the public as part of these minutes:

Harris County Municipal Utility District No. 391 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. If you would like a copy of the Lead & Copper Inventory, please submit your request to har391@txdistricts.info.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

Mr. Sanchez reviewed correspondence from the North Harris County Regional Water Authority regarding proposed acquisitions of a Right of Way and easement for Parcel 37F-29 and Parcel 31F-31.

LAKE AND TURF MANAGEMENT REPORT, INCLUDING APPROVAL OF PROPOSALS FOR NECESSARY REPAIRS OR REPLACEMENTS, IMPROVEMENTS, RENEWAL OF PERMITS, OR LANDSCAPING AGREEMENTS

Mr. Beyer reviewed a maintenance report, a copy of which is attached. He discussed bulkheads that will require repairing now or in the near future. Mr. Beyer then reviewed a proposal to trim trees along the Cypress Green subdivision for a cost of \$16,250.00, a copy of which is attached. Following review and discussion, Director Porter moved to (1) approve the maintenance report; and (2) approve the tree trimming proposal for a cost of \$16,250.00. Director Force 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 trail lighting project. Discussion ensued regarding the maintenance of the lights in the future.

Ms. Lee then updated the Board on the sidewalk enhancement project that is partnered with Harris County Precinct No. 3 (the "County") and recommended approval of an interlocal agreement between the District and the County.

Following review and discussion, Director Broom moved to (1) approve the KGA report; and (2) approve the interlocal agreement with the County 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 the operator's report for October 2024, a copy of which is attached.

Mr. Davila reviewed proposals from Ski Bo's and JAK Environmental, LLC to repair the brick fence at lift station no. 2 with a new wooden fence that meets compliance, copies of which are attached to the operator's report.

Mr. Davila then reviewed a proposal from Edustrial Solutions for foundation repairs at the District's water plant in the amount of \$28,231.14, a copy of which is attached.

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) approve the proposal from Ski Bo's to replace the fence at Lift Station No. 2 for a cost of \$25,800.00; (3) approve the proposal from Edustrial Solutions for the foundation repairs at the water plant for a cost of \$28,231.14; 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 Porter seconded the motion, which passed unanimously.

GARBAGE COLLECTION MATTERS

There was no discussion on this item.

DEVELOPMENT IN THE DISTRICT

There was no discussion on this item.

WEBSITE MATTERS AND COMMUNITY OUTREACH

Ms. Dehoyos updated the Board on website matters.

UPDATE FROM BOARD COMMITTEES

The Board discussed updates from each committee.

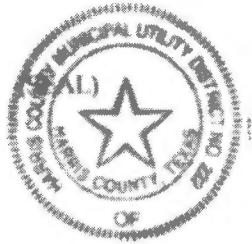
MEETING DATES

The Board concurred to hold the next regular meeting on December 9, 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



LIST OF ATTACHMENTS TO MINUTES

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