

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

October 14, 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 14th day of October, 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:

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|--------------------------|----------------------|
| 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 Bob Henry of Cypress Hill Municipal Utility District No. 1 ("CyHill MUD 1"); Lieutenant Rodriguez of Harris County Constable's Office; Dale Anzalone of Flock Safety; Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Enrique Sanchez and Marco Montes of R.G. Miller Engineers, Inc. ("RG Miller"); Danae Dehoyos of Touchstone District Services ("Touchstone"); Renee Butler of McLennan & Associates, LP ("McLennan"); Debbie Arellano of Bob Leared Interests ("BLI"); Randy Davila of Inframark Water & Infrastructure Services ("Inframark"); and Katie Carner 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 September 9, 2024, regular meeting. After review and discussion, Director Shook moved to approve the minutes, as presented. Director Blackwell seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT INSURANCE

The Board discussed the District's insurance renewal and concurred to obtain proposals for review.

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

REVIEW ARBITRAGE REPORT FOR THE SERIES 2019 REFUNDING BONDS

Ms. Carner reviewed an Arbitrage Rebate Report for the District's Series 2019 Refunding Bonds. She noted that the Report reflects no payments are due to the Internal Revenue Service and no action was needed by the Board.

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 Shook 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.

2024 TAX RATE

Ms. Arellano stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2024 total tax rate of \$0.76.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Ms. Carner presented an Order Levying Taxes reflecting the proposed 2024 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County.

After review and discussion, Director Blackwell moved to (1) adopt the Order Levying Taxes reflecting a total 2024 tax rate of \$0.76 per \$100 of assessed valuation, comprised of \$0.465 to pay debt service on water, sewer, and drainage bonds, and \$0.295 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Porter seconded the motion, which passed unanimously.

APPROVE INTERLOCAL AGREEMENT FOR THE INSTALLATION OF STREET LIGHTS ON CYPRESS ROSEHILL ROAD

Ms. Carner updated the Board on the installation of streetlights on Cypress Rosehill Road and reviewed an interlocal agreement between the District and CyHill MUD 1. She noted that the District's pro-rata share of the installation costs is \$49,171.43 and the monthly maintenance cost is \$207.60. Discussion ensued regarding the District contracting with the homeowners association for the remaining streeting lights in the District. Following review and discussion, Director Blackwell moved to (1) approve and authorize execution of the interlocal agreement for the installation of street lights on Cypress Rosehill Road; and (2) authorize ABHR to draft a cost sharing agreement between the District and homeowner associations for streetlights in the District. Director Porter seconded the motion, which passed unanimously.

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 updated the Board on the proposal for foundation repairs at the District's facilities. Ms. Carner noted that the requested changes from the contractor cannot be accepted and discussed options for contracting with the operator or to obtain another proposal. Following discussion, the Board concurred to have the operator provide another proposal for foundation repairs at the District's facilities.

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. Cox reviewed a maintenance report, a copy of which is attached. He discussed work in the District and bulkheads that will require repairing now or in the near future. No action was taken by the Board.

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 then reviewed questions from the County.

Ms. Lee updated the Board on the trail lighting project and stated that a walk through is scheduled for later this week. Directors Porter and Blackwill noted that they will attend the walk through. She recommended approval of Pay Estimate No. 10 in the amount of \$48,729.15 payable to Landecor, LLC ("Landecor"). Discussion ensued regarding lights that are not working along the trail and considered holding payment to Landecor.

Following review and discussion, Director Broom moved to (1) approve the KGA report; and (2) approve Pay Estimate No. 10 in the amount of \$48,729.15 for the trail lighting project, subject to Directors Porter and Blackwell's final approval after the scheduled walk through. Director Blackwell seconded the motion, which passed unanimously.

The Board then reviewed a proposal from JAK Environmental, LLC to repair the brick fence at lift station no. 2 for a cost of \$10,150.00, a copy of which is attached. The Board took no action on this matter.

OPERATION OF DISTRICT FACILITIES AND TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

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

Mr. Davila stated that the lift pump at Lift Station No. 1 requires repair or replacement. He reviewed a proposal for replacement for a cost of \$21,752.00.

Mr. Davila stated that the valves at Lift Station No. 2 require replacement and painting and reviewed a proposal for a cost of \$18,816.00.

Mr. Davila then reviewed a proposal to replace blower motor no. 2 at Wastewater Treatment Plant No. 1 for an approximate cost of \$31,791.00.

Mr. Davila then updated the Board on the Capital Improvements Plan.

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 to replace the lift pump at Lift Station No. 1 for a cost of \$21,752.00; (3) approve the proposal to replace and paint the valves at Lift Station No. 2 for a cost of \$18,816.00; (4) approve the proposal to replace blower motor no. 2 at Wastewater Treatment Plant No. 1 for an approximate cost of \$31,791.00; and (5) 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.

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. The Board discussed installing Flock Cameras in the District and reviewed a map of potential camera locations provided by Director Shook and Mr. Henry. Director Shook stated that she requested cooperation with CyHill MUD 1 to ensure full camera coverage. She noted that CyHill MUD 1 will be considering approval of installing Flock Cameras, in the discussed locations, at their next meeting. Discussion ensued. Ms. Carner then reviewed an ABHR approved interlocal agreement for the Harris County Constable's Office to monitor the cameras. She noted that the initial cost for the installation of the cameras is \$5,200.00 and the annual maintenance cost is \$24,000.00. Discussion ensued regarding the success rate of Flock Cameras deterring crime and Lieutenant Rodriguez reviewed cases that have been solved due to Flock camera monitoring. Following review and discussion, Director Shook moved to approve the interlocal agreement for the installation of Flock Cameras between the District and Harris County Constable's Office for monitoring of the cameras. Director Blackwell seconded the motion, which passed 3-2, with Directors Porter and Force voting against the motion.

WEBSITE MATTERS AND COMMUNITY OUTREACH

Ms. Dehoyos updated the Board on website matters and discussed adding a projects tab to the website to update residents on construction in and around the District.

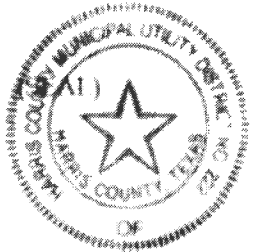
UPDATE FROM BOARD COMMITTEES

The Board discussed updates from each committee.

MEETING DATES

The Board concurred to hold the next regular meeting on November 11, 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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