

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 383

September 4, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 383 (the "District") met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, on the 4th day of September, 2024, and the roll was called of the members of the Board being present:

John Porea	President
John J. Ryan	Vice President
Jeffrey Peters	Secretary
Jean M. Casagrande	Assistant Secretary
Jody Chouinard	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also attending the meeting in person or by teleconference were: Cindy Grimes of Municipal Accounts & Consulting, L.P. ("MAC"); James Parker of Pape-Dawson Engineers ("Pape-Dawson"); Kristy Hebert of Tax Tech, Inc. ("Tax Tech"); Christine Crotwell of Masterson Advisors LLC ("Masterson"); Scott Shelnett of Municipal Operations & Consulting, Inc. ("MOC"); Brandon West of Touchstone District Services ("Touchstone"); and Adisa Harrington and Whitney Lington of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

Mr. Porea offered any members of the public attending the meeting the opportunity to make public comment.

There being no members of the public requesting to make public comment, the Board moved to the next agenda item.

CONSENT AGENDA

The consultant reports were provided in advance of the meeting. Following review and discussion, Director Casagrande moved to approve the following items on the consent agenda: (1) the minutes of the August 7, 2024 regular meeting, as presented; (2) the annual report to be submitted in accordance with the District's Continuing Disclosure of Information Agreement and as required by SEC Rule 15c2-12; (3) tax assessment and collection matters; (4) financial and bookkeeping matters; (5) operating matters; (6) channel and pond maintenance matters; (7) website and communications matters; and (8) direct that, where appropriate, items are filed appropriately and

retained in the District's official records. Director Peters seconded the motion, which passed unanimously. Copies of all reports approved as part of the consent agenda are attached.

ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the consent agenda.

ADDITIONAL TAX MATTERS, INCLUDING DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2024 tax rate. Ms. Crotwell discussed the two-step process for setting the District's tax rate. Ms. Crotwell then reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 water, sewer, and drainage debt service tax rate of \$0.37 per \$100 of assessed valuation. A copy of the debt service tax rate analysis is attached.

The Board then discussed the District's operation and maintenance tax rate and considered publishing a proposed operation and maintenance tax rate of \$0.175 per \$100 of assessed valuation to maintain sufficient funds in the District's operating account.

Following review and discussion, Director Casagrande moved to: (1) set the public hearing date for October 2, 2024 at 12:00 p.m.; and (2) authorize the tax assessor/collector to publish notice of the District's meeting on October 2, 2024, to set the proposed 2024 total tax rate of \$0.545 per \$100 of assessed valuation, with \$0.37 allocated for debt service on water, sewer, and drainage bonds, and \$0.175 allocated for operations and maintenance. Director Peters seconded the motion, which passed unanimously.

SERIES 2024 UNLIMITED TAX BONDS

PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE

Ms. Crotwell stated that bond application no. 12 has been reviewed and approved by the Texas Commission on Environmental Quality (the "TCEQ"), and she discussed the expected timeline of the upcoming bond sale. She then distributed and reviewed a draft of the Preliminary Official Statement and the Notice of Sale for the Series 2024 Unlimited Tax Bonds (the "Bonds").

APPROVE PAYING AGENT/ REGISTRAR

Ms. Harrington discussed the duties of the paying agent/registrar for the Bonds and noted the financial advisor recommends that the Board appoint The

Bank of New York Mellon Trust Company, N.A. ("BONY") as the District's paying agent/registrar for the Bonds.

APPROVE ESCROW AGREEMENT

Ms. Harrington stated no escrow agreement is required.

AUTHORIZE ADVERTISEMENT FOR THE SALE OF THE BONDS

The Board considered authorizing the District's financial advisor to advertise the sale of the Bonds and concurred to hold the bond sale on October 2, 2024, subject to receipt of the TCEQ Order Approving Bonds.

Following review and discussion, Director Casagrande move to: (1) approve the Preliminary Official Statement and Official Notice of Sale, subject to final review; (2) appoint BONY as the paying agent/registrar, as recommended by the financial advisor; and (3) authorize the District's financial advisor to advertise and schedule the sale of the Bonds for October 2, 2024, subject to receipt of the TCEQ Order Approving Bonds. Director Peters seconded the motion, which passed unanimously.

The Board discussed TCEQ documents associated with the bond sale.

UPDATE ON HARRIS COUNTY WASTEWATER-BASED EPIDEMIOLOGY PROGRAM ("HCWEP")

Ms. Harrington updated the Board on the HCWEP and discussed the associated Interlocal Agreement. The Board concurred to take no action at this time.

STORM WATER MANAGEMENT PLAN MATTERS, INCLUDING PROPOSALS FOR WORK

The Board reviewed the detention facility maintenance report prepared by Storm Water Solutions, LLC ("SWS"), a copy of which is attached.

Mr. Parker updated the Board on the biannual audit report of District facilities prepared by SWS. Discussion ensued regarding next steps for completing the necessary repairs found during the biannual audit report.

ADDITIONAL CHANNEL AND POND MAINTENANCE

The Board discussed recent activity at Northlake pond.

ENGINEERING MATTERS

Mr. Parker reviewed the engineering report, a copy of which is attached.

Mr. Parker updated the Board on the revised path for the proposed waterline loop behind the CVS located on Champion Forest Drive.

Mr. Parker updated the Board on construction of the detention pond located at Boudreaux Business Park and stated seven bids were received for the project. Mr. Parker stated Pape-Dawson recommends the contract be awarded to the lowest bidder, North Houston Tandem, Inc. ("North Houston") in the amount of \$588,850.60. Based on the engineer's recommendation, the Board concurred that, in its judgment, North Houston was a responsible bidder whose bid would result in the best and most economical completion of the District project.

Mr. Parker updated the Board on the lift station no. 1 pump and electrical replacement.

Mr. Parker updated the Board on the construction of the third water well and stated gas was detected during the drilling of the pilot hole. Discussion ensued regarding treatment options for the detected gas. The Board requested for Pape-Dawson to provide additional information regarding two treatment options for the detected gas: (i) tower treatment; and (ii) pump system treatment.

Mr. Parker discussed the final total cost for the emergency repairs to water well no. 1. Mr. Parker recommended approval of Change Order No. 1 to the contract with C&C Water Services, Inc. ("C&C") to increase the contract in the amount of \$3,875.00 to reconcile final quantities. The Board determined that Change Order No. 1 is beneficial to the District.

Mr. Parker updated the Board on requests for utility commitments, as reflected in the engineer's report.

Mr. Parker updated the Board on the request from A-Beautiful Pools ("A-Beautiful") for District service for two equivalent single-family connections ("ESFCs"). Discussion ensued.

Mr. Parker updated the Board on the joint Capital Improvement Plan ("CIP") with Harris County Municipal Utility District No. 367 ("MUD 367"). Mr. Parker requested Board approval for time-and-materials budgets for engineering services for the following projects: (i) improvements to water plant nos. 1 and 2 in the amount of \$167,000.00, with the District's share being \$91,032.00; (ii) improvements to the wastewater treatment plant in the amount of \$260,000.00, with the District's share being \$160,550.00; and (iii) improvements to lift station nos. 1 and 2 in the amount of \$150,000.00, with the District's share being \$930.00. Discussion ensued regarding budgeted capital costs for the current fiscal year.

Following review and discussion, and based on the District engineer's recommendation, Director Peters moved to: (1) approve the engineer's report; (2) award the contract to North Houston in the amount of \$588,850.60 for construction of the detention pond located at Boudreaux Business Park, based on the engineer's recommendation, subject to review of the certificate of insurance and endorsements, if any, provided by the contractor; (3) approve Change Order No. 1 to the contract with C&C to increase the contract in the amount of \$3,875.00 to reconcile final quantities for the emergency repairs to water well no. 1; (4) approve time-and-materials budgets for engineering services for the following projects: (i) improvements to water plant nos. 1 and 2 in the amount of \$167,000.00, with the District's share being \$91,032.00; (ii) improvements to the wastewater treatment plant in the amount of \$260,000.00, with the District's share being \$160,550.00; and (iii) improvements to lift station nos. 1 and 2 in the amount of \$150,000.00, with the District's share being \$930.00. Director Casagrande seconded the motion, which passed unanimously.

ADDITIONAL BOOKKEEPING MATTERS

Ms. Grimes updated the Board on the utility commitment deposit for Salons by JC. Following review and discussion, Director Peters moved to authorize MAC to reimburse the remaining utility commitment deposit to Salons by JC. Director Casagrande seconded the motion, which passed unanimously.

The Board discussed potentially scheduling a special meeting to review the District budget and Capital Improvement Plan. The Board concurred to schedule a special meeting in October.

ADDITIONAL OPERATING MATTERS

Mr. Shelnutt presented a list of delinquent customers to the Board and reported the customers on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Ms. Harrington discussed the Environmental Protection Agency ("EPA")'s requirement for all public water systems to inventory all water lines for lead and copper. Discussion ensued regarding the publication of results from the inventory of all water lines.

Ms. Harrington discussed a request from a resident to bring equipment across an area behind their backyard for installation of a swimming pool. Discussion ensued. Mr. Parker noted that area behind the resident's backyard is owned by the homeowners association ("HOA") and contains a pipeline easement. The Board requested for Pape-

Dawson to notify the resident that the area in question is not District property and to advise the resident to seek approval from the HOA and pipeline company.

Following review and discussion, Director Casagrande moved to authorize termination of delinquent accounts, in accordance with the District's Rate Order, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Peters seconded the motion, which passed unanimously.

The minutes from the most recent Operations Subcommittee meeting were provided to the Directors prior to the meeting and are attached.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT MATTERS

The Board discussed collection of bagged yard debris in Dove Manor.

The Board discussed publication options for District information and potentially using the Stable Magazine to share District information. Director Chouinard stated she will coordinate with Touchstone regarding options for sharing District information.

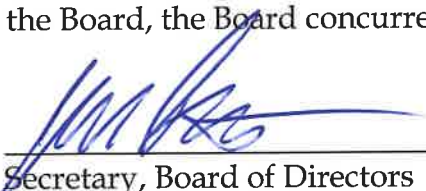
ATTORNEY'S REPORT

Ms. Harrington reviewed the action list.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Page</u>
Tax report.....	1
Bookkeeping report.....	1
Operator's report.....	1
GLAMCO channel and pond maintenance report.....	1
Website and communications report.....	1
Debt service tax rate analysis	2
SWS detention facility maintenance report.....	3
Engineering report.....	3
Operations Subcommittee meeting minutes.....	6

ACTION LIST

Action Item/Date Assigned	Status/Comments
Tax Tech	
MAC/MFS	
MOC	
Sanitary Sewer Inspection Program (8/7/24)	Phase III video inspection to be redone by MagnaFlow Phase IV smoke testing to begin 8/9/24
Prepare PFAS report for Board (7/3/24)	8/7/24 - PFAS testing scheduled for April 2025 and October 2025
Pape-Dawson	
Follow up regarding gas treatment options for water well no. 3 (9/4/24)	
Notify resident that the area behind their house is not District property and advise the resident to seek approval from the HOA and pipeline company to use the area in connection with installation of a swimming pool (9/4/24)	
Coordinate with SWS to update SWS bi-annual report to identify whether the District or MUD 367 is responsible for each recommended repair (8/7/24)	
Follow up with A-Beautiful to discuss the various fees and costs that would be associated with providing service to A-Beautiful (8/7/24)	
Inspect the District's interceptors and prepare an inventory identifying the repairs needed and their respective priority (6/5/24)	
Coordinate with Harris County regarding Boudreaux Road realignment project and possible Interlocal Agreement (3/6/24)	
Update CIP to include project costs and split project costs (3/6/24)	Ongoing. Latest draft presented at the May 21, 2024 joint special board meeting. Time and materials budgets proposed September 4, 2024 for WP, WWTP and LS projects
Schedule facilities tour (3/6/24)	
Coordinate with GLAMCO to prepare an inventory of pending and completed repairs, similar to the inventory that MUD 367 maintains for its detention facilities (2/7/24)	

Action Item/Date Assigned	Status/Comments
Obtain documentation/information needed to evaluate NewQuest's request for reimbursement of detention pond construction costs (11/1/23)	Site visit conducted with GLAMCO (12/6/23) Pape-Dawson is reviewing the documentation
Review and, where applicable, reclassify engineering fees relating to Jiffy Lube, Digestive Center and First Hartford (10/4/23)	
GLAMCO	
Shovel dirt off of Crescent Clover pond sidewalk (9/4/24)	
Present proposal for removal of additional tree roots around Crescent Clover pond (7/3/24)	Paused until weather cools down.
Repair crack in concrete curb next to District manhole in The Grove (6/5/24)	
Coordinate with Costello to prepare inventory of pending and completed repairs, similar to the inventory that MUD 367 maintains for its detention facilities (2/7/24)	
Lake Pro	
Storm Water Solutions	
Update bi-annual report to reflect whether the District or MUD 367 is responsible for each recommended repair (8/7/24)	
Directors	
Director Chouinard to coordinate with Touchstone regarding preparation and distribution of District information (9/4/24)	
KGA/DeForest	
Touchstone	
Coordinate with Director Chouinard regarding preparation and distribution of District information (9/4/24)	
ABHR	
Schedule special board meeting in October to discuss budget and CIP (9/4/24)	
Follow up with TxDOT regarding sound wall located along SH 99 next to North Lake subdivision (8/7/24)	
Finalize CTE for Boudreaux Business Park	Access and Maintenance easement and sanitary

Action Item/Date Assigned	Status/Comments
(6/5/24)	sewer easement sent for signature 8/7/24.
Review amounts owed by Enclave of GFPB and Jiffy Lube and coordinate with the bookkeeper regarding collection options(4/3/24)	
If appropriate, prepare interlocal agreement with District and Harris County - Boudreaux Boulevard realignment project (3/6/24)	
Public Power Pool (P3)	
McCall Gibson	