

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 383

February 7, 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 7<sup>th</sup> day of February, 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 were: Cindy Grimes of Municipal Accounts & Consulting, L.P. ("MAC"); James Parker of Costello, Inc. ("Costello"); Kristy Hebert of Tax Tech, Inc. ("Tax Tech"); Christine Crotwell of Masterson Advisors LLC ("Masterson"); Scott Shelnett of Municipal Operations & Consulting, Inc. ("MOC"); Michelle Kincer of Storm Water Solutions, LLC ("SWS"); Brandon West of Touchstone District Services ("Touchstone"); and Adisa Harrington and Whitney Lington of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

Director 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 Peters moved to approve the following items on the consent agenda: (1) the minutes of the January 3, 2024, regular meeting, as presented; (2) District development matters; (3) tax assessment and collection matters; (4) financial and bookkeeping matters, including the quarterly investment report; (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 Casagrande 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.

#### 2024 DIRECTORS ELECTION

Ms. Harrington discussed procedures related to the 2024 directors election.

Ms. Harrington explained that the Harris County Clerk notified the District that Harris County will not contract with political subdivisions, such as the District, to administer the District's May 2024 directors election. She stated that, as a result, the District will not contract with Harris County, but instead the District will administer its own election.

Ms. Harrington discussed exemptions from using electronic voting systems during the 2024 Directors Election.

The Board discussed pay for election officials during the 2024 Directors Election.

Ms. Harrington reviewed an Order Calling Directors Election.

Ms. Harrington discussed that a Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County.

Following review and discussion, Director Peters moved to: (1) set the pay for election officials at \$18.00 per hour, as discussed; (2) adopt an Order Calling Directors Election; and (3) authorize the Secretary's agent to post the Notice of Election as required, if the District holds the 2024 Directors Election. Director Casagrande seconded the motion, which passed unanimously.

#### STORM WATER MANAGEMENT PLAN MATTERS, INCLUDING PROPOSALS FOR WORK

Ms. Kincer reviewed a detention facility maintenance report prepared by SWS, a copy of which is attached.

Ms. Kincer then reviewed a biannual report of detention facilities prepared by SWS, a copy of which is attached. Discussion ensued regarding the repairs identified in the biannual report. The Board requested for Costello to (i) request bids from SWS, Gleannloch Landscaping & Maintenance Company ("GLAMCO") and Double Eagle Erosion Solutions, LLC for the repair work; and (ii) coordinate with the District

bookkeeper as needed to ensure that Harris County Municipal Utility District No. 367 ("MUD 367") is billed for its share of the cost for repairs to any joint detention facilities.

Discussion then ensued regarding the sinkhole located at an e-inlet and the Board concurred for Costello to request that GLAMCO install caution tape around the e-inlet until it is repaired. The Board further requested that Costello coordinate with GLAMCO to prepare an inventory of pending and completed repairs, similar to the inventory that MUD 367 maintains for its detention facilities.

### ENGINEERING MATTERS

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

Mr. Parker updated the Board on the proposed waterline loop across the Grand Parkway at Champion Forest Drive and stated Costello met with the City of Houston (the "City") and discussed the path for the waterline loop. Discussion ensued regarding easement requirements for the proposed waterline loop and existing water lines. The Board requested for Costello to review the proposed waterline loop and research other options for the placement of the waterline loop and provide an update at the next Board meeting. Discussion then ensued regarding funding options for the project.

Mr. Parker updated the Board on the design and permitting of the third water well.

Mr. Parker updated the Board on the lift station no. 1 pump and electrical replacement project (the "Lift Station No. 1 Rehabilitation Project").

Mr. Parker updated the Board on water well no. 2 and stated well technicians are on site this week to begin the cleaning of water well no. 2. Discussion ensued regarding the timeline for water well no. 2 repairs.

The Board discussed diagnostic testing and repairs associated with water well no. 1 and water plant no. 3, in conjunction with the pending water well no. 2 repairs. Following discussion, the Board authorized Directors Porea and Ryan to coordinate with the District engineer and operator regarding the scope and timing of the water well no. 1 and water plant no. 3 repairs and report back to the Board with their recommendations.

Mr. Parker updated the Board on requests for utility commitments, as reflected in the engineer's report. Mr. Parker stated the Shops at Gleannloch has requested a consent to encroachment ("CTE") from the District for existing paving above District water and/or sewer lines.

The Board then discussed the detention pond to be located at the Boudreaux Business Park, and the Board concurred for the pond construction project to be publicly advertised pursuant to the Water Code requirements since the pond will be a District facility and for Costello to notify Adkisson Group, Inc. of the Board's decision.

Mr. Parker updated the Board on the Capital Improvement Plan ("CIP") and stated a draft of the updated CIP will be presented at the next Board meeting.

The Board discussed Phase 4 smoke testing and video inspection of the District's sanitary sewer lines.

Mr. Parker updated the Board on the preparation of bond application no. 12, as reflected in the engineer's report. Discussion ensued regarding the timeline for submittal of the bond application.

Ms. Harrington present a Resolution Authorizing Application to the Texas Commission on Environmental Quality ("TCEQ") for Approval of Projects and Bonds for bond issue no. 12. Discussion ensued, and the Board concurred to establish a not-to-exceed amount for the bond application.

The Board discussed pond maintenance in the District.

Following review and discussion, and based on the District engineer's recommendation, Director Peters moved to: (1) approve the engineer's report; (2) approve a CTE for the Shops at Gleannloch, subject to finalization; (3) authorize Costello to proceed with plans for Phase 4 smoke and video inspection; and (4) adopt a Resolution Authorizing Application to the TCEQ for Approval of Projects and Bonds in an amount not to exceed \$6,000,000 and direct that it be filed appropriately and retained in the District's official records. Director Casagrande seconded the motion, which passed unanimously.

#### ADDITIONAL TAX MATTERS

Ms. Crotwell reviewed a tax exemption analysis report, a copy of which is attached.

Ms. Harrington presented and reviewed a Resolution Concerning Exemptions from Taxation reflecting that the Board grants an exemption of \$75,000 of the appraised value of residence homesteads of individuals who are disabled or are 65 years of age or older. Discussion ensued.

Following review and discussion, Director Peters moved to adopt the Resolution exempting from ad valorem taxation by the District \$75,000 of the appraised value of

residence homesteads of individuals who are disabled or 65 years of age or older and rejecting the general homestead exemption. Director Casagrande seconded the motion, which passed unanimously.

#### ADDITIONAL BOOKKEEPING MATTERS

The Board considered approving Director Porea's request for reimbursement of one hotel night for the Annual Water Board Director's ("AWBD") winter conference that he was charged for after cancelling his attendance at the conference due to bad weather conditions. The Board then discussed the upcoming summer AWBD conference.

Ms. Grimes presented and reviewed a proposed budget for the fiscal year ending March 31, 2025. Discussion ensued regarding capital outlay expenditures, including the construction costs for water well no. 3. The Board then discussed the District's annual contribution to the Gleannloch Farms Community Association ("HOA") and concurred to increase the District's annual contribution to \$50,000.

Discussion ensued regarding the August 2022 sales tax payment from the City of Houston (the "City") to the District pursuant to the District's Strategic Partnership Agreement with the City.

Ms. Grimes then presented and reviewed the proposed budgets for regional facilities for the fiscal year ending March 31, 2025. She requested that Board members and consultants review the proposed district and regional budgets and provide her with any comments prior to the next meeting.

Following review and discussion, Director Peters moved to: (1) authorize reimbursement to Director Porea for one hotel night for the AWBD winter conference; (2) increase the District's annual contribution to the HOA to \$50,000; and (3) require a 20% advance from the District and MUD 367 for the construction of water well no. 3. Director Casagrande seconded the motion, which passed unanimously.

#### ADDITIONAL OPERATING MATTERS, INCLUDING HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Mr. Shelnett 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.

Mr. Shelnett updated the Board on the water well no. 2 repairs.

Mr. Shelnett requested Board authorization to write off one delinquent utility account totaling \$166.15 and send to a collection agency.

Following review and discussion, Director Peters moved to: (1) 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; and (2) authorize MOC to write off one delinquent utility account totaling \$166.15 and send the account to a collection agency. Director Casagrande seconded the motion, which passed unanimously.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT MATTERS

The Board discussed meeting locations and concurred to review in-District locations for the April Board meeting. The Board then discussed meeting times for the April Board meeting and concurred to meet at 4:00 p.m.

The Board discussed the District website and updates regarding water rates and the EyeOnWater application.

The Board discussed scheduling a visit to the City of Houston's Northeast Water Purification Plant.

ATTORNEY'S REPORT, INCLUDING APPROVE DISTRICT'S INFORMATION KIT

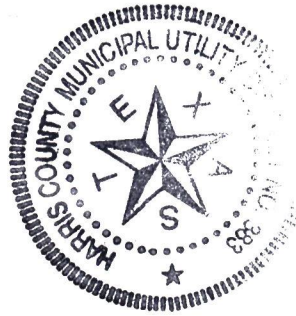
Ms. Harrington presented the District's updated Information Kit for 2024. Following review and discussion, Director Peters moved to approve the updated Information Kit subject to finalization, and direct that it be filed appropriately and retained in the District's official records. Director Casagrande seconded the motion, which passed unanimously.

ADOPT RESOLUTION COMMENDING RON BENTON FOR SERVICE TO HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 383

The Board considered adopting a Resolution commending former director Ron Benton for his service to the District. Following review and discussion, Director Peters moved to adopt the Resolution, authorize Touchstone to frame the Resolution, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Casagrande seconded the motion, which passed by unanimous vote.

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

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Tax exemption analysis report.....	4



ACTION LIST

Action Item/Date Assigned	Status/Comments
<b>Tax Tech</b>	
<b>MAC/MFS</b>	
<b>MOC</b>	
Coordinate with Costello to conduct diagnostic testing of water well no. 1 (12/6/23)	1/3/24 - On hold until water well no. 2 repairs are complete
Bill property owner for one delinquent account before sending the account to the collection agency (12/6/23)	
Sanitary Sewer Video Inspection	1/3/24 - Still waiting on video data, MOC will inform contractor that the video data must be provided by no later than 3/1/24
<b>Costello</b>	
Begin planning for Phase 4 smoke and video inspection (2/7/24)	
Solicit 3 bids for February SWS Biannual Report repairs (SWS, Double Eagle and GLAMCO) (2/7/24)	
Costello will 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)	
Coordinate with MOC to conduct diagnostic testing of water well no. 1 (12/6/23)	1/3/24 - On hold until water well no. 2 repairs are complete
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)
Review and, where applicable, reclassify engineering fees relating to Jiffy Lube, Digestive Center and First Hartford (10/4/23)	
Prepare bond application no. 12 (9/6/23)	Engineer is finalizing report based on consultant comments
Oversee repair work identified in Storm Water Solutions Biannual Audit (9/6/23)	12/6/23 - contract awarded to Double Eagle
<b>GLAMCO</b>	
Place caution tape around e-inlet (2/7/24)	

Action Item/Date Assigned	Status/Comments
GLAMCO will 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)	
<b>Lake Pro</b>	
<b>Directors</b>	
Director Porea and Ryan will monitor water well no. 1 and water plant no. 3 repairs and provide recommendations to the Board, as appropriate (2/7/24)	
Director Ryan will follow up on light placement at water plant no. 3 (12/6/23)	
<b>KGA/DeForest</b>	
<b>Touchstone</b>	
<b>ABHR</b>	
Prepare Development Financing Agreement for Adkisson (1/3/24)	Agreement has been prepared and sent to Adkisson for execution
Prepare UCLs for Boudreaux Business Partners and P. Terry's (12/6/23)	
Prepare update to UCL for the Shops (11/1/23)	
Review and, where applicable, reclassify legal fees relating to Jiffy Lube, Digestive Center and First Hartford (10/4/23)	
Draft letter agreement with HOA to pay for half of the lighting and electrical project at the Grove (5/3/23)	1/30/24 - 1295 received and bookkeeper notified to release payment 9/6/23 - Waiting on 1295 to accompany signed agreement 8/2/23 - Signed agreement sent to Kris Bradshaw for signature
<b>Public Power Pool (P3)</b>	
<b>McCall Gibson</b>	