

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 383

March 6, 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 6th day of March, 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 except Director Ryan, thus constituting a quorum.

Also attending the meeting were: Cindy Grimes of Municipal Accounts & Consulting, L.P. ("MAC"); James Parker and Jeff Pena of Costello, Inc. ("Costello"); Layne Yeager of Double Eagle Erosion Solutions, LLC ("Double Eagle"); Kristy Hebert of Tax Tech, Inc. ("Tax Tech"); Scott Shelnett of Municipal Operations & Consulting, Inc. ("MOC"); Adam Swonke of Gleannloch Landscaping & Maintenance Company ("GLAMCO"); Brandon West of Touchstone District Services ("Touchstone"); Vivien Nguyen of Champions Industries, Inc. ("Champions"); 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.

Ms. Nguyen introduced herself and discussed services offered by Champions.

There being no other 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 February 7, 2024, regular meeting, as presented;

(2) District development matters; (3) tax assessment and collection matters; (4) financial and bookkeeping matters; (5) operating matters; (6) the critical load list and related filing; (7) channel and pond maintenance matters; (8) website and communications matters; and (9) 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. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received two candidate applications for the two director positions for the May 4, 2024, Directors Election.

Ms. Harrington presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, Jody Chouinard and Jean Casagrande, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. She reviewed the posting requirements for the Order Cancelling.

Following review and discussion, Director Peters moved to: (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors; (2) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office and authorize the Secretary's agent to post the Order Cancelling, as required; and (3) direct that the Certificate and the Order be filed appropriately and retained in the District's official records. Director Casagrande seconded the motion, which passed unanimously.

STORM WATER MANAGEMENT PLAN MATTERS, INCLUDING PROPOSALS FOR WORK

There was no discussion on this agenda item.

ENGINEERING MATTERS

Mr. Parker introduced Mr. Pena.

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") to discuss the revised path for the waterline loop behind the CVS located on Champion Forest Drive. Mr. Parker noted that the revised path would require obtaining easements from CVS. Discussion ensued.

Mr. Parker updated the Board on the design and permitting of the third water well, as reflected in the engineer's report. Discussion ensued regarding the timing of the various pending water plant repairs and improvements and related capacity matters.

Mr. Parker updated the Board on water well no. 2 and stated C & C Water Services LLC ("C&C") is conducting water sampling and plans to have water well no. 2 back online by the end of the week. Mr. Parker requested Board approval for payment of a C&C invoice in the amount of \$303,571.00 for the water well no. 2 emergency repairs. The Board concurred to approve payment of the invoice but hold payment until the water sampling is complete.

Discussion ensued regarding repairs needed to water well no. 1. Mr. Parker requested Board approval to submit an emergency repair request to the Texas Commission on Environmental Quality ("TCEQ") for the repair work. Based upon the engineer's recommendation, the Board made a finding that an emergency condition exists and that immediate repair to water well no. 1 is necessary to prevent a serious health hazard or unreasonable economic loss to the District.

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. Discussion ensued regarding Boudreaux Business Park and entering into a Wastewater Services Contract between the District and Adkisson Group Inc. ("Adkisson") for construction of Boudreaux Business Park.

Mr. Parker discussed development in the District.

Mr. Parker updated the Board on the Phase 4 smoke testing and video inspection of the District's sanitary sewer lines.

The Board discussed the repairs identified in the most recent Storm Water Solutions, LLC ("SWS") biannual report of detention facilities. Mr. Parker noted that SWS declined to submit a proposal for the identified repairs. Mr Parker then presented two proposals received for the repairs: (i) Double Eagle in the amount of \$172,620.00

with alternate bid items in the amount of \$101,970.00; and (ii) GLAMCO in the amount of \$187,90.00 with alternate bid items in the amount of \$112, 600.00. Mr. Yeager and Mr. Swonke discussed repairs outlined in their proposals.

The Board inquired about implementing a GIS tracking and maintenance system for the District's drainage system. Discussion ensued.

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.

Mr. Parker updated the Board on the detention pond to be located at Boudreaux Business Park.

Mr. Parker updated the Board on nutria activity at District facilities and stated A-All will be conducting a site visit at Northlake pond on Wednesday.

Mr. Parker stated Lake Pro is treating migratory algae in Northlake pond. Discussion ensued regarding algae at Crescent Clover pond.

Mr. Parker updated the Board on Harris County's plans to realign Boudreaux Road. Mr. Parker stated Costello is coordinating with Harris County regarding possible conflicts between the realignment and adjacent District water and sewer lines. Mr. Parker then discussed potentially entering into an interlocal agreement with Harris County for the relocation of any conflicting District facilities.

Mr. Pena reported on updates to the joint Capital Improvement Plan ("CIP") with Harris County Municipal Utility District No. 367 ("MUD 367") and reviewed a draft CIP report. Discussion ensued and the Board requested that Costello include District and shared costs in the updated CIP. The Board concurred to schedule a joint meeting with MUD 367 to further discuss the updated CIP once it is finalized.

Following review and discussion, and based on the District engineer's recommendation, Director Peters moved to: (1) approve the engineer's report; (2) approve the invoice from C&C in the amount of \$303,571.00 for the water well no. 2 emergency repairs, and have the bookkeeper hold the payment pending completion of water sampling; (3) authorize Costello and ABHR to request TCEQ approval for the emergency repairs to water well no. 1; (4) approve entering into a Wastewater Services Contract between the District and Adkisson for Boudreaux Business Park; (5) approve the proposal from Double Eagle in the amount of \$172,620.00 with alternate bid items in the amount of \$101,970.00, for the repairs identified in the SWS biannual report of detention facilities; and (6) authorize Costello and ABHR to negotiate an interlocal agreement with Harris County for the relocation of District facilities that conflict with

the realignment of Boudreaux Road. Director Casagrande seconded the motion, which passed unanimously.

ADDITIONAL TAX MATTERS

There was no discussion on this agenda item.

ADDITIONAL BOOKKEEPING MATTERS

Ms. Grimes presented and reviewed the proposed District budget and the proposed budgets for regional facilities for the fiscal year ending March 31, 2025. Discussion ensued regarding assessed District value in conjunction with the budgeted maintenance tax revenue for the fiscal year ending March 31, 2025. The Board then discussed the construction of the waterline loop across the Grand Parkway at Champion Forest Drive and water well no. 1 repairs. The Board concurred to remove construction of the waterline loop across the Grand Parkway at Champion Forest Drive and water well no. 1 repairs from bond application no. 12 and budget the costs into the District's budget for fiscal year ending March 31, 2025. Following review and discussion, Director Peters moved to adopt the proposed budgets, as revised. Director Casagrande seconded the motion, which passed unanimously.

ADDITIONAL OPERATING MATTERS

Mr. Shelnuttt 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. Shelnuttt requested Board authorization to write off two delinquent utility accounts totaling \$566.81 and send them to a collection agency.

Ms. Harrington stated that the TCEQ Rules require that the District review and adopt an Amended and Restated Water Conservation Plan ("WCP") prior to May 1, 2024. Mr. Shelnuttt noted that no changes are needed to the WCP and that the WCP Annual Report and Five-Year Implementation Report are being finalized. He requested Board approval of the WCP, as well as the related reports subject to finalization.

Ms. Harrington stated that the TCEQ Rules require that the District review and adopt an Amended and Restated Drought Contingency Plan ("DCP") in 2024, prior to May 1, 2024. She then reviewed options for amending the District's DCP to incorporate recent updates to the NHCRWA's DCP. Discussion ensued and the Board requested

that ABHR prepare a chart comparing the District and NHCRWA DCPs, for review at the next meeting.

Mr. Shelnutt updated the Board on the District's Emergency Preparedness Plan and stated it is in final review and will be discussed at the April meeting.

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; (2) authorize MOC to write off two delinquent utility accounts totaling \$566.81 and send the accounts to a collection agency; (3) approve the Water Conservation Annual Report and Five-Year Implementation Report subject to finalization, direct that the reports be filed appropriately and retained in the District's official records, and authorize MOC to submit the reports to the appropriate government agencies; and (4) adopt an Order Adopting Amended and Restated WCP, direct that the Order be filed appropriately and retained in the District's official records, and authorize MOC to submit the Amended and Restated WCP to the appropriate government agencies. Director Casagrande seconded the motion, which passed unanimously. The Board tabled action on the DCP.

AUTHORIZE AUDITOR TO CONDUCT AUDIT

The Board reviewed a continuance letter from the District's auditor, McCall Gibson Swedlund Barfoot PLLC ("McCall"), a copy of which is attached, for preparing the District's audit for the fiscal year ending March 31, 2024. Following review and discussion, Director Peters moved to authorize McCall to begin preparation of the audit and directed that the continuance letter be filed appropriately and retained in the District's official records. Director Casagrande seconded the motion, which passed unanimously.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS ON DISTRICT MATTERS

The Board discussed scheduling a visit to the City of Houston's Northeast Water Purification Plant and inviting the MUD 367 Board of Directors to participate.

ATTORNEY'S REPORT

The Board discussed the District's annual contribution to the Gleannloch Farms Community Association ("HOA") and concurred for Director Ryan to follow up regarding specific guidelines for the distribution of the \$50,000.00 to the HOA for fiscal year end March 31, 2025. It was noted that the payment will be made at the end of that fiscal year.

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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ACTION LIST

Action Item/Date Assigned	Status/Comments
Tax Tech	
MAC/MFS	
MOC	
Finalize EPP (3/6/24)	
Finalize WCP (3/6/24)	
Finalize DCP (3/6/24)	
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 emergency repairs are complete
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
Costello	
Prepare interlocal agreement with District and Harris County - Boudreaux Boulevard realignment project (3/6/24)	
Update CIP to include project costs and split project costs (3/6/24)	
Schedule facilities tour (3/6/24)	
Prepare letter to TCEQ for emergency repairs (3/6/24)	
Begin planning for Phase 4 smoke and video inspection (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 emergency 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)	Remove waterline loop and water well no. 1 repairs from bond application (3/6/24) Engineer is finalizing report based on consultant comments

Action Item/Date Assigned	Status/Comments
Oversee repair work identified in two most recent Storm Water Solutions Biannual Audit s	12/6/23 and 3/6/24 - contracts awarded to Double Eagle
GLAMCO	
Place caution tape around e-inlet (2/7/24)	
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)	
Lake Pro	
Directors	
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)	
Directo Ryan will follow up on HOA contribution (3/6/24)	
KGA/DeForest	
Touchstone	
ABHR	
Prepare interlocal agreement with District and Harris County - Boudreaux Boulevard realignment project (3/6/24)	
Prepare wastewater service agreement with Adkisson for Boudreaux Business Park (3/6/24)	
Prepare UCL for P. Terry's (12/6/23)	Sent for signature 2/9/24
Prepare updated 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)	
Public Power Pool (P3)	
McCall Gibson	