

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 391

September 9, 2019

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 391 (the "District") met in regular session, open to the public, on the 9<sup>th</sup> day of September, 2019, 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:

Alan Greenwood	President
Robert McShane	Vice President
Catherine Shook	Secretary
John Sachs	Assistant Vice President
Nathan Giannelli	Assistant Secretary

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

Also present at the meeting were Justin Wagner of R.G. Miller Engineers, Inc. ("RG Miller"); Demitra Berry of McLennan & Associates, LP; Debbie Arrellano of Bob Leared Interests; Teri Laguarda of Inframark Water & Infrastructure Services ("Inframark"); Eric Steinman of KGA DeForest/Design, LLC ("KGA"); Tom Engert, District resident; Andrew Rue of Woodmere Development Company, Ltd.; Greg Lentz of Masterson Advisors, LLC; Sherri Greenwood of BKD, LLP; Treacy Ware of Off Cinco; Andrew Rue of Woodmere Development Company, Ltd.; and Greer Pagan and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Mr. Engert thanked the Board for the walkway constructed at Lake No. 2 and asked the Board to consider adding an email notification option to the District's website.

MINUTES

The Board considered approving the minutes of the August 12, 2019, regular meeting. After review and discussion, Director McShane moved to approve the minutes. Director Shook seconded the motion, which passed by unanimous vote.

## 2019 TAX RATE

Mr. Pagan discussed the public hearing process for establishing a tax rate. Mr. Lentz reviewed a tax rate analysis. Upon a motion made by Director McShane and seconded by Director Shook, the Board unanimously authorized the tax assessor to publish notice of public hearing on October 14, 2019, regarding the District's proposed adoption of a tax rate of \$1.11.

## RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS

The Board took no action on this agenda item.

## WEBSITE DEVELOPMENT

Ms. Ware reviewed the website under development with the Board. Following review and discussion, the Board concurred to authorize Off Cinco to go live with the website and add a flyer to District utility bills notifying residents of the new website.

## AUDIT FOR FISCAL YEAR END MAY 31, 2019

Ms. Greenwood reviewed the audit for fiscal year ending May 31, 2019. Upon a motion made by Director McShane and seconded by Director Shook, the Board unanimously approved the audit, subject to final consultant review.

## FINANCIAL AND BOOKKEEPING MATTERS

The Board next received the bookkeeper's report and considered payment of invoices submitted to the District. Ms. Berry reviewed with the Board an investment report, budget comparisons, checks written since the report was prepared and tax transfers. Copies of the bookkeeper's report and list of bills presented for payment are attached.

After review and discussion, Director McShane moved to approve the bookkeeper's report and payment of the bills. Director Shook seconded the motion, which passed unanimously.

## TAX ASSESSMENT AND COLLECTIONS MATTERS AND COLLECTION OF DELINQUENT TAXES

The Board next received the tax assessor/collector's written report for August, 2019, including updated certified values for 2019 and considered payment of the tax

bills. Copies of the tax assessor/collector's report and list of checks presented for approval are attached.

Following review and discussion, Director McShane moved to accept the tax assessor/collector's report and pay the bills described therein. Director Shook seconded the motion, which was approved by unanimous vote.

#### HARRIS COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS ELECTION

The Board took no action on this agenda item.

#### ENGINEERING MATTERS

Mr. Wagner generally reported on engineering projects within the District.

Mr. Wagner first discussed a request from SVR Interests Cypress, LLC, a Texas limited liability company, and Janmark Fairfield, LLC, a Texas limited liability company for Consent to Encroach over a District water line easement with pavement for parking.

The Board next discussed a request from the Villages of Cypress Lake Community Association (the "HOA") to accept conveyance of Reserve A, Block 1 of Villages of Cypress Lakes, Section 22 for maintenance and concurred to move forward with conveyance, subject to confirmation that the HOA would convey fee ownership to the District.

Following review and discussion, Director McShane moved to (1) approve the engineering report; and (2) approve Consent to Encroach for the benefit of SVR Interests Cypress, LLC, a Texas limited liability company, and Janmark Fairfield, LLC, a Texas limited liability company. Director Shook seconded the motion, which passed unanimously.

#### LAKE AND TURF MANAGEMENT REPORT

Director Shook updated the Board regarding lake and fountain maintenance by LakePro, Inc. and presented a proposal from Bluegrass Maintenance, Inc. in the amount of \$800 to repair 16 broken rotor sprinkler heads on lakes 3 and 4. Following review and discussion, upon a motion by Director McShane and a second by Director Shook, the Board voted unanimously to approve a proposal from Bluegrass Maintenance, Inc. in the amount of \$800 to repair 16 broken rotor sprinkler heads on lakes 3 and 4.

## MASTER PARKS AND FUTURE PARK DEVELOPMENT

Mr. Steinman reviewed a report from KGA, updated the Board regarding of construction of Lake 1 and Lake 2 Walk Connection Landscape Improvements and recommended that the Board approve (1) Pay Application No. 5 in the amount of \$52,698.42 and Pay Application No. 6 in the amount \$1,885.50, both payable to Stone Castle; and (2) Change Order No. 1 increasing the contract amount by \$3,500 to add sprinklers to an additional pallet of sod to stabilize the soil. The Board determined that Change Order No. 1 is beneficial to the District. After review and discussion, Director McShane moved to (1) approve KGA's report; (2) approve Pay Application No. 5 in the amount of \$52,698.42 and Pay Application No. 6 in the amount \$1,885.50, both payable to Stone Castle; and (3) approve Change Order No. 1 in the amount of \$3,500 as an increase to the contract with Stone Castle, based upon the Board's finding that the Change Order is beneficial to the District and KGA's recommendation. Director Shook seconded the motion, which passed by unanimous vote.

The Board also discussed and requested that KGA bring a change order to the District's contract with Stone Castle to add a sidewalk from Section 3 to Cypresswood Drive.

## OPERATION OF DISTRICT FACILITIES

Ms. Laguarda presented the operator's report for July, 2019, a copy of which is attached, discussed significant repairs completed during the month and requested authorization to replace booster pump no. 3 at the wastewater treatment plant for an estimated cost of \$11,183.

Upon a motion made by Director McShane and seconded by Director Shook, the Board voted unanimously to (1) approve the operator's report; (2) authorize the District operator to refer 2 delinquent accounts to collection; and (3) authorize the District operator replace booster pump no. 3 at the wastewater treatment plant for an estimated cost of \$11,183.

## TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

The Board next considered termination of utility service to delinquent accounts. Ms. Laguarda 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. Director McShane moved that, since the customers on the list were neither present at the meeting nor had presented any statement on the matter,

utility service should be terminated in accordance with procedures set forth in the Rate Order. Director Shook seconded the motion, which carried unanimously.

DEVELOPMENT IN THE DISTRICT

Mr. Rue update from the developer regarding development in the District.

SECURITY REPORT

There was no additional discussion for this agenda item.

GARBAGE COLLECTION

There was no additional discussion for this agenda item.

There being no additional business for consideration, the meeting was adjourned.

  
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Secretary, Board of Directors



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