

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 304**  
**Minutes of Meeting of Board of Directors**  
**January 18, 2024**

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 304 (the “District”) held their regular meeting in accordance with the duly posted notice of meeting and the Texas Open Meetings Act. The roll was called of the duly constituted officers and members of said Board, as follows:

Ann-Toinette Johnson-Preston	-	President
Leonard Cummings, Jr.	-	Vice President
Rosalind Caesar	-	Secretary
Michael Garrett	-	Director
LaFrances Moses	-	Director

All of said persons were present, except Director Caesar and Director Moses, thus constituting a quorum.

Also present were Jared Bowlin of EHRA Engineering (“EHRA”); Yvonne Luevano of Wheeler & Associates, Inc.; Sergeant Berkheimer of the Precinct 4 Constables Office (“HCCO”); Tony Bonaventure and Manny Vadhar of Precision Utility Services, LLC. (“PULLC”); Scott Gray of Champions Hydro-Lawn, Inc.; Nannette Ray and Terrance Ray of TNR Advisors & Management Consultants, LLC; Cameron Thatcher of Huntington Capital Markets; Jonathan Roach, Dana Huebner, Ray Arce, Debbie Gentry, and Jennifer Rodriguez of Roach & Associates, PLLC; and various District residents, as noted on the sign-in sheet attached hereto as **Exhibit “A”**.

Director Johnson-Preston opened the meeting.

**PUBLIC COMMENTS**

Mr. Arce explained the District’s Public Comment Policy.

Resident Larry Allen inquired why the Administration Building could not be opened on time for the meeting. He also noted some members of the Board (the “Directors”) were not present for the meetings and asked the Directors to remember their fiduciary duties. He then thanked Director Garrett for his work with the District’s operator (PULLC) to fix the water problems during that week. Mr. Allen noted the rest of the Directors do not do anything and do not care about the District. He then advised that in the next election, people need to elect Directors who will do their fiduciary duties, noting he invested in the community thirty (30) years ago and wants his taxes accounted for. He then talked about freedom of speech and noted he received a cease-and-desist letter from Mr. Roach and Director Caesar. Mr. Allen asked why he received the letter and noted he was only telling the truth. He reiterated that an election is coming soon and that the District’s residents need to make sure they elect the right Board.

## MINUTES OF PRIOR BOARD MEETING(S)

The Board considered for approval the regular meeting minutes for December 14, 2023. Director Cummings made a motion, seconded by Director Garrett, to approve the regular meeting minutes for December 14, 2023. The motion passed unanimously.

## SECURITY REPORT

Sergeant Berkheimer reported incidents in the District from the preceding month. Director Garrett noted that he had not seen any traffic stops on TC Jester and that there were break-ins and other incidents that were not mentioned. Sergeant Berkheimer noted that to his knowledge, no one reported the incidents that Director Garrett was referring to. Director Garrett also inquired about HCCO's use of GPS trackers. Sergeant Berkheimer stated that he would pull the GPS tracker information and provide a copy to Director Garrett.

## TAX ASSESSOR'S REPORT, INCLUDING DELINQUENCIES

Ms. Luevano presented and reviewed the Tax Assessor's Report; a copy is attached as **Exhibit "B"**. After no further discussion, Director Johnson-Preston motioned to approve the Tax Assessor's Report, including payment of invoices. The motion was seconded by Director Cummings and passed unanimously.

## GRANT EXEMPTIONS FROM TAXATION FOR 2024

Mr. Roach explained the exemptions from taxation the District could adopt pursuant to the Texas Tax Code. Then, Mr. Thatcher presented and reviewed the Tax Exemption Analysis, noting different exemptions the District could adopt. He reminded the Board of the 0% homestead exemption and the 65 years of age and older, military, and disabled \$5,000 exemption currently in place. Director Cummings inquired how adopting a homestead exemption would affect the District financially and requested Mr. Thatcher's recommendation. Mr. Thatcher noted that the Tax Exemption Analysis shows the effect of the different exemption values with their respective tax revenues to be exempted. Director Cummings noted the benefits of the exemptions are for the residents and asked Mr. Thatcher for his recommendation on a homestead exemption. Mr. Thatcher noted the answer depends on what funds are needed for other District operations. Director Garrett inquired about the exemptions already in place for military, disabled, and over 65, noting one of the Directors is getting exemptions and does not fit any of the categories. Ms. Luevano noted she can check the Harris County Appraisal District site and get more information. Mr. Roach noted that since the District does not have a budget yet, it is difficult to know the impact the exemptions could have and recommended leaving the current exemptions in place. Director Cummings recommended maintaining the same exemptions and revising them next year when the Board has more information.

After a brief discussion, Director Cummings made a motion to keep the homestead exemption at 0% and to keep the 65 years of age and older, military, and federal disability tax exemption at \$5,000 for tax year 2024. Director Garrett seconded said motion, which carried unanimously.

## RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT PROPERTY TAXES

Mr. Roach noted that, pursuant to applicable sections of the Texas Tax Code, the District can levy an additional penalty of up to twenty percent (20%) to cover the costs of collections on any delinquent personal property tax accounts as of February 1 each year. After no discussion, Director Cummings made a motion, seconded by Director Garrett, to maintain the previously approved additional 20% penalty as authorized for 2022 and subsequent years and to authorize the delinquent tax attorney to proceed with the usual, statutory/contractual twenty percent (20%) additional penalty to be effective February 1, 2024. The motion carried unanimously.

## BOOKKEEPER'S REPORT, INCLUDING TRANSITION MATTERS

Mrs. Ray presented the Bookkeeper's Report, attached hereto as **Exhibit "C"**. Mrs. Ray noted all Director fee forms and consultant invoices are due on the 8th of every month. She recommended that the District move to an electronic payment system, noting the benefits to the District of an electronic payment system include: (i) a more secure system, (ii) the ability of members to set up their own bank accounts, and (iii) the elimination of risks with checks (e.g., checks can be stolen or copied). Mrs. Ray then noted the Bookkeeper's Report includes a transition timeline and that she hopes to finalize the proposed operating budget at the budget meeting scheduled for January 19, 2024. Mr. Roach inquired if the Board would like to add the budget approval to the agenda of the special meeting scheduled for January 25, 2024 or defer until the next regular meeting in February. The Board concurred to defer the approval of the budget until the February regular meeting. Then, Mrs. Ray stated she needed the Board to approve the new electronic payment system and the new Director fee forms. Director Johnson-Preston requested further explanation of the electronic payment system. Mrs. Ray explained that the electronic payment system requires three level of approvals and how and when the Director fees will be paid to the Directors.

After no further discussion, Director Cummings made a motion, seconded by Director Garrett, to approve the new electronic payment system, the new Director fee forms, and the Bookkeeper's Report. The motion passed unanimously.

## ENGINEER'S REPORT

Mr. Bowlin presented the Engineer's Report; a copy is attached as **Exhibit "D"**, discussing the following:

- a. Silverglen North Park Project, noting Jerdon Enterprise, L.P ("JE") has completed the project, and the project is now under the one-year warranty period. Mr. Bowling further advised that JE submitted a final Pay Request No. 6 in the amount of \$51,973.71 for Board approval.
- b. SilverChase Meadows Park Project, noting Wild Magnolia Landscaping, LLC ("WML") has substantially completed the park, adequate vegetation, and punch list items. Mr. Bowlin advised that the District's engineering firm (EHRA) would reinspect WML's work, which EHRA anticipates minor deficiencies. He further advised that EHRA is withholding payment to WML until the deficiencies are corrected.

- c. Wastewater Treatment Plant (“WWTP”) Access Road Repair, including easement conveyance, noting the plans for the access road east of the extreme event overflow swale are near complete, and EHRA intends to submit the plans to Harris County Flood Control and Harris County next week.
- d. Rehabilitation of Lift Station at WWTP, noting that Gilleland Smith Construction, Inc.’s (“GSC”) work is substantially complete. Mr. Bowlin advised that EHRA inspected the work, which yielded minor deficiencies, and that once the deficiencies are corrected, EHRA will hold a final inspection. Mr. Bowlin also noted that EHRA is withholding payment to GSC in the amount of approximately \$67,000 until the deficiencies are corrected.
- e. Water Plant Improvements, noting the contracts for the replacement of the booster pump cans approved at the last regular meeting are ready for Board execution.
- f. Central Harris County Regional Water Authority (the “CHCRWA”), noting EHRA submitted documentation for reimbursement to the CHCRWA, reminding the Board that the documentation provided by the District’s former engineer did not cover 100% of the reimbursable fees; EHRA is waiting to hear back from the CHCRWA.
- g. Spears Road Tract Development (48-acre tract), noting Mr. Bowlin attempted to present the feasibility study which contained the impact the development would have on the District. Director Garrett addressed the residents and advised that the District does not have the capacity for the development, noting the water plant froze during the recent storm and directed Mr. Bowlin to kill the project. Director Garrett’s comments enraged the residents. Director Johnson-Preston reminded Director Garrett and the residents of the District’s Civility Policy. Director Garrett insisted that he was talking. Director Johnson-Preston issued Director Garret’s first warning of violation of the Civility Policy and requested Director Garrett allow the residents to listen to Mr. Bowlin. Director Garrett continued to address the residents and the Board, claiming the residents were not receiving the full information. Mr. Arce issued Director Garrett’s second violation of the Civility Policy and temporarily exited the meeting to retrieve Sergeant Berkheimer. Director Garrett refused to let Mr. Bowlin continue his report. Director Garrett noted he would leave the meeting and, therefore, it would be adjourned due to a lack of quorum.

Director Garret exited the meeting.

The meeting lost quorum and was adjourned at 6:53 p.m.

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Approved this 15th day of February 2024.

/s/ Rosalind Caesar  
Secretary, Board of Directors



**LIST OF EXHIBITS**

- Exhibit A - Sign-in Sheet
- Exhibit B - Tax Assessor's Report
- Exhibit C - Bookkeeper's Report
- Exhibit D - Engineer's Report