

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 361
Minutes of Meeting of Board of Directors
October 13, 2023

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 361 (the “District”) held its regular monthly meeting in accordance with the duly posted notice of the meeting and the Texas Open Meetings Act. The meeting was held at 2001 Timberloch Place, Suite 500, The Woodlands, Texas 77380, and the roll was called of the duly constituted officers and members of said Board, as follows:

Todd Covart	President
Jaclyn Hood	Vice President
Christopher D. Roundy	Secretary
Erica Dobbs*	Assistant Vice President

All of the above were present, thus constituting a quorum.

Also present at the meeting were Charlie LaConti of Municipal Accounts & Consulting, L.P. (“MAC”); Josh Maas of M. Marlon Ivy & Associates, Inc. (“MMI”); Cindy Fields of BGE, Inc. (“BGE”); Monica Pena of Utility Tax Service, LLC (“UTS”); Debbie Gentry and Sharla LaConti, who entered later in the meeting, and Jonathan Roach, Ray Arce, and Jessica Gentry of Roach & Associates, PLLC (“RAPLLC”); and Chris Kulesza of Summerwood Community Association (“HOA”). [*Remote Attendees]

COMMENTS FROM THE PUBLIC

There were no comments from the public.

MINUTES FOR PRIOR BOARD MEETINGS

The Board considered for approval the regular meeting minutes of September 9, 2023. After no discussion, Director Hood motioned to approve the September 9, 2023, regular meeting minutes. Director Roundy seconded the motion, which passed unanimously.

PUBLIC HEARING ON 2023 TAX RATE

Mr. Roach reminded the Board that it had previously indicated its intent and published notice regarding the levy of the District’s 2023 tax rate at \$0.68 per \$100 of assessed valuation, consisting of \$0.28 for debt service (“DS”) and \$0.40 for maintenance and operation (“M&O”). The Board then opened the public hearing on the proposed 2023 tax rate. After no further discussion, the Board closed the public hearing.

LEVY TAX RATE AND ADOPT ORDER EVIDENCING SAME

The Board next considered adopting an Order Levying Taxes for 2023; a copy is attached as **Exhibit “A.”** After review and discussion, Director Covart motioned to adopt the Order Levying Taxes for 2023, providing for a total tax rate of \$0.68 per \$100 of assessed valuation, consisting of

\$0.28 for DS and \$0.40 for M&O. Director Roundy seconded the motion, which passed unanimously.

AMENDED DISTRICT INFORMATION FORM (“DIF”) WITH THE 2023 TAX RATE

The Board then considered approving the Amendment to the District Information Form (“DIF”) to reflect the District’s 2023 tax rate; a copy is attached as **Exhibit “B.”** Upon motion by Director Covart, seconded by Director Hood, the Board voted to approve the Amendment to the DIF to be filed with the Harris County real property records and the Texas Commission on Environmental Quality (“TCEQ”) as required by law.

BOOKKEEPER’S REPORT

Mr. LaConti presented the monthly Bookkeeper's Report, including the investment report and invoices submitted for payment; a copy is attached as **Exhibit “C.”** He noted that check #9656, payable to Director Dobbs for the Association of Water Board Directors (“AWBD”) Conference expenses, showed an uncleared status. Director Dobbs said she thought she had deposited the check but would confirm later. After no further discussion, Director Hood motioned to approve the Bookkeeper’s Report and authorize payment of invoices. Director Covart seconded the motion, which passed unanimously.

REVIEW ENERGY REPORTING COMPLIANCE REPORT

Mr. Roach explained the Energy Reporting Compliance Report and its legal requirements, noting the District is in compliance.

TAX ASSESSOR’S REPORT

Ms. Pena presented the Tax Assessor’s Report; a copy is attached as **Exhibit “D.”** After some discussion, Director Covart motioned to approve the Tax Assessor’s Report and authorize payment of invoices. Director Hood seconded the motion, which passed unanimously.

ENGINEER’S REPORT

Ms. Fields reviewed the Engineer’s Report; a copy is attached as **Exhibit “E”;** and she provided updates on the following: (1) WLHP Phase 2 Sidewalk, noting BGE is awaiting the results of the pending inspection by the U.S. Army Corps of Engineers; (2) Harris County Municipal Utility District No. 344 (“HC344”) Water Plant (“WP”) Generator Replacement, noting W.W. Payton Corporation (“WWPC”) has addressed all the punch-list items resulting from the final inspection held on March 1, 2023; she further noted the project is complete and that Pay Estimate No. 5 & Final in the amount of \$11,070.00 payable to WWPC was presented to HC344; (3) HC344 WP Recoating/Improvements, noting the contractor has addressed all the punch-list items resulting from the final inspection held on May 17, 2023; she further noted that the project is complete and that Pay Estimate No. 6 and Final in the amount of \$41,370.00 payable to CFG Industries, LLC (“CFG”) was presented to HC344; (4) Wastewater Treatment Plant (“WWTP”) Re-Rating, noting the re-rate application was submitted on August 22, 2023 and BGE is awaiting a response from the

TCEQ; (5) Escrow Release Application, noting BGE submitted the sixty (60) day expedited review escrow release application to the TCEQ on September 13, 2023; she further noted that the application was declared administratively complete on September 14, 2023, and is being reviewed; and (6) Lead and Copper Rules and Regulations (“LCRR”) Service Line Inventory, noting BGE is preparing the required information for submittal to the TCEQ before October 2024.

Director Covart inquired if the Board previously approved the complete LCRR process. Ms. Fields confirmed that complete approval was not necessary at this time because the District only needs to record the inventory of water lines for now. Mr. Roach noted the sidewalk and park AWBD Award Application(s) will be due October 31, 2023. He then said that a resolution is required and inquired whether the Board would like to proceed with submitting the Award Application. After no discussion, Director Covart motioned to adopt the Resolution Approving Submittal of Awards Application. Director Roundy seconded the motion, which passed unanimously.

OPERATOR’S REPORT

Mr. Maas presented and reviewed the monthly Operator’s Report; a copy is attached as **“Exhibit F,”** noting that the City of Houston (“COH”) had gone back to the voluntary stage of its Drought Contingency Plan (“DCP”) and indicated that the District could follow suit. He further noted that MMI would take down the drought signage in the District at the end of the month accordingly. Director Hood inquired about a fiber optic contractor installing fiber communications cables down Duessen Parkway. Mr. Maas confirmed that the contractor has a rental water meter from the District and is being billed accordingly. The Board then concurred with the DCP signage removal and Operator’s Report matters including utility service terminations per the District’s Rate Order as applicable.

SUMMERWOOD COMMUNITY ASSOCIATION (“HOA”) MATTERS

Director Covart noted that he had recently visited Lakeview Park and inquired with Mr. Kulesza if the HOA had performed any maintenance to the water fountain that was not working. Mr. Kulesza confirmed he would investigate the matter. Director Covart noted everything looked sufficient except for a crack in the handicap-accessible curb. Director Hood pointed out that the bathrooms were clean, but the meter on the back of the building needs sealant. Mr. Maas confirmed he would take care of the meter.

Mr. Kulesza thanked the Board for their support and partnership with Flock Security, the Constable contract, and Lakeview Park. He further noted maintenance issues with the HOA clubhouses and lake erosion but the HOA is getting back on track with those and similar community matters. Next, Director Covart noted that having Lakeview Park conveyed to the District’s ownership would make the park tax-exempt and potentially address other ownership, maintenance, and similar potential issues. Mr. Kulesza said he would discuss this at the HOA’s next meeting. Director Covart indicated he wanted to proceed with Phases 2 and 3 of the proposed park improvements. Director Hood advised that ownership issues regarding the park should be addressed first.

Ms. Debbie Gentry and Ms. LaConti entered the meeting during the discussion.

SECURITY MATTERS

Mr. Roach stated that the HOA's attorney had advised he was not instructed by the HOA to address any issues regarding the group home in the community at this time, and the HOA's management company had indicated there were no updates. Director Covart pointed out there seem to be minimal solutions without potentially violating other laws but that the group home is pulling resources from the Constable contract from other areas within the community. Mr. Kulesza stated he is not authorized to say anything publicly about the matter but will have an internal discussion with the HOA representatives.

Director Covart noted that he met with the Presidents from Harris County Municipal Utility District No. 342, HC344, and the HOA to discuss the security contract. He stated that the HOA indicated they were unaware they were supposed to send Constable security patrol reports to the Municipal Utility Districts ("MUDs") each month. Director Covart reminded everyone that the new collective agreement was for the MUDs to take over the security contract including procedures related to the fifth Constable deputy under the new agreement.

Director Dobbs inquired about the Flock Security installation timeline. Mr. Roach noted that he had no update but would follow up with the other MUDs. Director Dobbs stated that she attended the National Night Out ("NNO") and that the HOA had thanked the District in its newsletter for providing coloring books, crayons, and brochures. Finally, she inquired about the timing of the Winter Festival event, and Mr. Kulesza noted that he was unsure about the timing but would investigate the matter.

TECHNOLOGY/WEBSITE UPDATES, INCLUDING SB2 AND HB1154 COMPLIANCE

This item was deferred.

REVIEW FEES OF OFFICE/EXPENSE POLICY, INCLUDING NON-AWBD/EVENT ATTENDANCE OPTIONS

This item was deferred.

ATTORNEY'S REPORT

Mr. Roach noted he was corresponding with the District's Delinquent Tax Attorney regarding a few possible amendments to their agreement. He then mentioned there are fourteen (14) constitutional amendment propositions on the ballot for November 7, 2023. The Board approved certain options for notifying residents about the November 7 ballot propositions.

Mr. Roach thanked everyone for participating and dressing up in a costume for the meeting today and then announced that Director Hood had won first place in the costume contest.

*EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTION 551.071, 551.074, ET. SEQ.

The Board did not enter into executive session.

PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board concurred to reconvene for their next regular meeting on November 10, 2023, at 12:00 p.m. at RAPLLC's Woodlands office. After no further discussion, Director Roundy motioned to adjourn the meeting. Director Hood seconded the motion, which passed unanimously.

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Approved this 10th day of November 2023.

/s/ Christopher D. Roundy
Secretary, Board of Directors

(SEAL)



LIST OF EXHIBITS

- Exhibit A - Order Levying Taxes
- Exhibit B - Amended DIF
- Exhibit C - Bookkeeper's Report
- Exhibit D - Tax Assessor's Report
- Exhibit E - Engineer's Report
- Exhibit F - Operator's Report