

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 361**  
**Minutes of Meeting of Board of Directors**  
**February 9, 2024**

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 The Bryan Museum, 1315 21st Street, Galveston, Texas 77550, 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\*, a representative of Municipal Accounts & Consulting, L.P. (the “District’s Bookkeeper”); Erika Mireles\*, a representative of M. Marlon Ivy & Associates, Inc. (the “District’s Operator”); Cindy Fields\*, a representative of BGE, Inc. (the “District’s Engineer”); Monica Pena and Karen Fitzgerald, representatives of Utility Tax Service, LLC (the “District’s Tax Assessor”); and Jonathan Roach, Dana Huebner, Debbie Gentry, Ray Arce, and Jessica Gentry, representatives of Roach & Associates, PLLC (“RAPLLC”). [\*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 January 12, 2024. After no discussion, Director Covart motioned to approve the regular meeting minutes from January 12, 2024. Director Hood seconded the motion, which passed unanimously.

**BOOKKEEPER’S REPORT**

Mr. LaConti presented the Bookkeeper’s Report, including the investment report and invoices submitted for payment; a copy is attached as **Exhibit “A”**. Director Hood inquired when the 2016 Refunding Bonds would be paid off. Mr. LaConti confirmed that they would be paid in full by September 2024 and further indicated that the District is four (4) years out from paying off the 2015 Refunding Bonds. Mr. LaConti then noted he had a reimbursement check of \$729.58 for Director Covart for his attendance at the Association of Water Board Directors (“AWBD”) 2024 Midwinter Conference. After some discussion, Director Covart motioned to approve the Bookkeeper’s Report and authorize payment of invoices. Director Hood seconded the motion, which passed unanimously.

## **TAX ASSESSOR'S REPORT**

Ms. Pena, presented the Tax Assessor's Report; a copy is attached as **Exhibit "B"**. Director Dobbs inquired if residents were still sending their tax payments to the District's previous Tax Assessor by mistake. Ms. Pena noted that the District's Tax Assessor would be sending out flyers in March and May, reminding the residents of the correct office address to send their tax payments. Director Hood thanked Ms. Pena for increasing the District's collection rate from previous years. After some discussion, Director Covart motioned to approve the Tax Assessor's Report and authorize payment of invoices. Director Roundy seconded the motion, which passed unanimously.

## **RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2024**

Mr. Roach presented the Resolution Concerning Exemptions from Taxation for 2024, explaining the exemptions available under Section 11.13 of the Texas Tax Code and noting the prior years' exemptions adopted by the Board. The Board had a lengthy discussion regarding the increase of exemptions for individuals over sixty-five (65) years of age and under disability, as well as the possibility of adding a homestead exemption. After some discussion, the Board concurred to defer making a decision until the District's Financial Advisor (Robert W. Baird & Co.) could attend the meeting in person to discuss the matter further.

## **ENGINEER'S REPORT**

Ms. Fields reviewed the Engineer's Report; a copy is attached as **Exhibit "C"**, and provided updates on the following:

(1) Harris County Municipal Utility District No. 344 ("HC344") Wastewater Treatment Plant Generator Replacement, noting the generator and associated electrical and site work improvements are being designed. Ms. Fields further noted that the District's Engineer had engaged CenterPoint Energy for the extension of the natural gas line needed to serve the facility and is awaiting their facility maps. Finally, she noted that the District's Engineer anticipates submitting the plans for governmental review in late February 2024; and

(2) Lead and Copper Rules and Regulations Service Line Inventory, noting the District's Engineer is preparing the required information for submittal to the Texas Commission on Environmental Quality before October 2024.

There were no action items. Then, a discussion ensued regarding the difficulties of annexing the District into the City of Houston (the "City") without also annexing their bordering districts.

## **REVIEW OF ANNUAL SURVEY OF WAGE RATE SCALES**

Mr. Roach discussed the requirements for adopting wage rate scales for construction and engineering projects. He further indicated that the Board has historically adopted the wage rate scales concurrent with the Harris County Davis Bacon Act ("DBA"). After some discussion, Director Covart motioned to adopt the wage rate scales concurrent with the DBA. Director Roundy seconded the motion, which passed unanimously.

## OPERATOR'S REPORT

Ms. Mireles presented the Operator's Report; a copy is attached as "Exhibit D". Ms. Mireles also noted that the District's Operator is working on smart meter options for the District and will present that information at the next Board meeting. There were no action items.

## RATE ORDER REVIEW AND POSSIBLE AMENDMENT

This item was deferred.

## SECURITY MATTERS

Director Covart noted that he attended a joint meeting with the board presidents of HC344, Harris County Municipal Utility District No. 342 ("HC342"), and Summerwood Community Association ("Summerwood") (collectively, the "Communities"). He noted that HC342 was receiving security reports from the Constable's office, but they are not regularly distributing the security reports to HC344, the District, or Summerwood, as originally agreed upon. Director Covart then stated that the addition of a fifth deputy previously agreed upon in 2023 would no longer be necessary, and the Communities would only utilize four (4) deputies for the time being. He further indicated that the Communities may hire a sergeant to take the fifth deputy's place in the future. Next, Director Covart stated that Summerwood was receiving the deputies' work schedules and was concerned about it being distributed to outside sources.

Mr. Arce stated there were no updates on Flock Security.

## SUMMERWOOD MATTERS

Director Covart noted that the lake fountains are out of order due to someone stripping the copper, smashing the control panels, and stealing the Digital Video Recorders. He further indicated that there are more issues with security at Lakeview Park (the "Park"), noting that the fences are constantly being vandalized. Next, Director Covart stated that Summerwood apologized for posting the District's December meeting agenda on its website, noting it was a mistake and would not happen again.

## ENGINEER'S REPORT CONTINUED

Ms. Fields mentioned that the City is still making Strategic Partnership Agreements. Mr. Roach explained that residents of a proposed area for annexation have the right to vote against annexation and advised that they cannot be forced into being annexed.

## PROPOSALS FOR INSURANCE POLICIES

Mr. Roach noted that RAPLLC sent Requests for Proposals to additional insurance companies, as requested by the Board, and only received a proposal from McDonald & Wessendorff Insurance. A lengthy discussion ensued regarding the coverage the District needed. Director Dobbs inquired if the deputies provided details on what their insurance covers for the District. Director

Covart noted that the details should be in the Communities' interlocal agreement with the deputies but assumed that the deputies are not liable for anything listed in the contract. Director Roundy inquired if any insurance claims had been made in the last twenty (20) years. Ms. Fields confirmed there were claims made on lift pumps. After some discussion, the Board concurred for RAPLLC to review the insurance proposals received so the Board could make a selection on the insurance company at their next Board meeting.

### **REVIEW CONSULTANT AND VENDOR CONTRACT OPTIONS**

Mr. Roach noted that the Board previously requested to review the District's communications consultant's contracts. After some discussion, Director Hood motioned to engage RAPLLC as their new communications consultant, subject to an acceptable contract. Director Dobbs seconded the motion, which passed unanimously.

### **REVIEW DISTRICT POLICIES**

Mr. Roach explained the statutory requirements for the adoption of a list of approved banks and investment institutions with which the District may invest its funds ("Qualified Brokers List"). After some discussion, Director Roundy motioned to approve the Qualified Brokers List and adopt the corresponding resolution. Director Covart seconded the motion, which passed unanimously.

### **ATTORNEY'S REPORT**

Ms. Jessica Gentry confirmed that the Director's polo shirts had been ordered and are expected to arrive on February 23, 2024. The Board then discussed the Director's identification cards. Next, Mr. Roach reviewed the District's required annual filing of the Special Purpose District Public Information Database ("SPDPID") with the Comptroller, indicating that the financials used for the report are taken from the District's most recent audit. Director Covart motioned to approve the filing of the District's SPDPID. Director Hood seconded the motion, which passed unanimously. Director Covart inquired if the Directors had to re-take the Public Information Act and Open Meetings training sessions. Mr. Roach advised that directors only need to complete those requirements once but that they are welcome to re-take them if desired.

### **2024 DIRECTORS ELECTION MATTERS**

Mr. Roach presented the Order Calling Directors Election; attached as **Exhibit "E"**. He further indicated that there was an empty seat on the Board and inquired if the Board had any candidate recommendations. Next, Mr. Roach stated that the District must designate an election agent to help conduct the necessary election details. Finally, he explained that Harris County was not holding joint elections this year, advising that the District would have to appoint and consider compensation for Election Officials to conduct the election. After some discussion, Director Roundy motioned to approve: (1) the Order Calling Directors Election; (2) the designation of RAPLLC as the District's election agent; and (3) the authorization of the Election Officials' compensation to be \$15/hour. Director Covart seconded the motion, which passed unanimously.

## DISTRICT STRATEGIC PLANNING SESSION

Director Covart discussed the details of the shooting on Yaupon Holly Lane the previous month. He then addressed the increase in traffic stops within the District. Next, a discussion ensued regarding the review of various parks in the Houston area to brainstorm ideas for Phase 2 of the Park. Director Dobbs suggested partnering with Summerwood to hold various events at the Park throughout the year. She further noted that Summerwood had hired an activities director, so the District could reach out to them for more information. Director Covart suggested adding a pickleball court and upgrades to the playground at the Park. Ms. Pena recommended adding a small zipline to the Park.

Next, a discussion ensued regarding the timeline for transferring the District's website and domain to RAPLLC. Mr. Roach stated that the website transition would take approximately thirty (30) to forty-five (45) days. Director Dobbs then discussed the implementation of direct deposits to the directors for their per diems. Mr. Roach confirmed he would discuss this further with the District's Bookkeeper. Finally, a discussion ensued regarding the location of the Park's trophy won at the AWBD Winter Conference. Director Hood suggested adding a plaque for the award at the Park's entrance.

### \*EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTIONS 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 March 8, 2024, at 12:00 p.m. at RAPLLC's office in The Woodlands. After no further discussion, Director Covart motioned to adjourn the meeting. Director Hood seconded the motion, which passed unanimously.

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Approved on this 8th day of March 2024.

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

(SEAL)



**LIST OF EXHIBITS**

- Exhibit A - Bookkeeper's Report
- Exhibit B - Tax Assessor's Report
- Exhibit C - Engineer's Report
- Exhibit D - Operator's Report
- Exhibit E - Order Calling 2024 Directors Election