

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 361
Minutes of Meeting of Board of Directors
August 11, 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:

J. Brian Harding	President
Todd Covart	Vice President
Jaelyn Hood	Secretary
Erica Dobbs	Assistant Vice President
Christopher D. Roundy	Assistant Secretary

All of the above were present except Director Harding, 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”); Jonathan Roach, Ray Arce, Chelby Simpson, and Hayden Toth of Roach & Associates, PLLC (“RAPLLC”); Dane Turner of Best Trash; and Dale Anzalone of Flock Safety (“Flock”). [*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 July 14, 2023. After no discussion, Director Hood motioned to approve the July 14, 2023, regular meeting minutes. Director Covart seconded the motion, which passed unanimously.

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 “A.” He pointed out the following additional checks not provided in the report: check #9762, payable to RAPLLC, and check #9763, payable to Director Dobbs, for Association of Water Board Directors (“AWBD”) expenditures.

Next, a discussion ensued regarding attendance to various Homeowners Association (“HOA”) meetings. Director Hood noted that the District does not distribute per diems for a Director to attend these meetings. Mr. Roach pointed out that the District’s Fees of Office Policy states a Director is entitled to receive a per diem if they have submitted a written or verbal report on the meeting they attended.

The Board then discussed their escrow funds, whereby Mr. Roach confirmed an application needs to be submitted to the Texas Commission on Environmental Quality (“TCEQ”) for approval. After some discussion, Director Hood motioned to authorize Ms. Fields to prepare an escrow application for TCEQ submission. Director Dobbs seconded the motion, which passed unanimously.

Director Dobbs inquired if the Board would cover late fees for AWBD registration and the issue of booking hotel rooms. Director Covart noted they would accept rates on a case-by-case basis since obtaining hotel rooms has been difficult. The Board then had a brief discussion about getting District Identification Cards for the Directors. After no further discussion, Director Hood motioned to approve the Bookkeeper’s Report and authorize payment of invoices. Director Roundy seconded the motion, which passed unanimously.

TAX ASSESSOR’S REPORT

Ms. Pena noted that she does not have a report yet but will provide one at the next meeting. She then reviewed the District’s certified values and advised that flyers would be sent to the residents informing them of the transition of consultants. She further noted that an additional flyer will be distributed once the District’s tax rate has been adopted. Mr. Roach advised that the District is fully developed and is capped at a 3.5% increase on their tax rate.

ENGINEER’S REPORT

Ms. Fields reviewed the Engineer’s Report; a copy is attached hereto as **Exhibit “B.”** and provided updates on the following: (1) WLHP Phase 2 Sidewalk, noting they were recently informed that the inspection by the Corps of Engineers would take place in mid-August; (2) Harris County Municipal Utility District No. 344 (“HC344”) Water Plant (“WP”) Generator Replacement, noting the contractor is awaiting the delivery of a part to address the last punch list item resulting from the final inspection. She then noted that Pay Estimate No. 4, for \$72,585 payable to WW Payton Corp., was presented to HC344 at their last meeting; (3) HC344 WP Recoating/Improvements, noting the contractor had installed the new air compressor earlier that month and is now addressing the remaining punch list items; and (4) Lead & Copper Rule Revisions (“LCRR”), noting the Environmental Protection Agency (“EPA”) had recently initiated changes to the lead and copper rules affecting public water system lead sampling requirements. She further noted the District is now required to provide a service line inventory to the TCEQ by October 16, 2024, using a template provided by the TCEQ. Then, she indicated that Texas adopted the Clean Water Act in 1988, which banned lead in drinking water systems; service lines constructed after 1988 are automatically classified as non-lead systems. Ms. Fields stated that since all of the service lines within the District were built after 1988, the data needed can be ascertained through online information. She further noted that BGE estimates an hourly cost of \$5,000 to prepare and submit the required information to the TCEQ, noting once this information has been provided, no other action is needed from the District.

After some discussion, Director Covart motioned to approve (1) the Engineer’s Report and (2) the authorization for BGE to prepare and submit the required LCRR information to the TCEQ. Director Dobbs seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Mr. Maas presented and reviewed the monthly Operator's Report; a copy is attached hereto as "Exhibit C," noting they are monitoring the water quality being provided by the City of Houston ("COH") due to complaints of an odor to the water. He further indicated that they are performing routine flushing, and there is not much the District can do since it is the water supply from the COH. Mr. Maas advised the Directors to direct customer complaints to MMI to address their concerns.

Director Dobbs noted she had discussed dialing back irrigation with the HOA, indicating the Monarch confirmed they comply with voluntary Drought Contingency Plans ("DCP") and water conservation regulations. She then noted she would follow up with the HOA on the upcoming bills to Monarch to ensure that irrigation has been reduced. Finally, she explained a few resident's security concerns at a nearby apartment complex.

After no further discussion, Director Covart motioned to approve (1) the Operator's Report and (2) authorization to release the COH water quality alert on the District's website. Director Hood seconded the motion, which passed unanimously.

Mr. Anzalone entered the meeting.

BEST TRASH CPI REVIEW

Mr. Turnery presented the Automatic Adjustment Letter, advising that their current rate of \$22.98 for curbside service with recycling will increase to \$24.45 in the August 2023 billing cycle. The Board then noted a few resident concerns about the size of their trash bin, whereby Mr. Turner stated the 65-gallon containers are sufficient and that changing the size would be a substantial cost. Mr. Turner also noted that overflow bags can be placed next to the cans for collection.

TECHNOLOGY/WEBSITE UPDATES, INCLUDING SB2 AND HB1154 COMPLIANCE

Mr. Toth noted that the District's website is SB2 compliant and reviewed the drone footage taken of the District and its facilities.

SUMMERWOOD COMMUNITY ASSOCIATION MATTERS

Director Dobbs discussed National Night Out ("NNO") and suggested the Board hand out bracelets, reserve a bounce house, and a trackless train. The Board then ensued in a discussion about providing coloring books and crayons. Mr. Turner noted Best Trash could offer trash cans for the event. After no further discussion, Director Covart motioned for the District to provide coloring books and crayons and authorize Best Trash to provide trash cans at NNO. Director Hood seconded the motion, which passed unanimously.

SECURITY MATTERS

Mr. Roach introduced Mr. Anzalone from Flock. Director Dobbs noted concerns about access to the camera system. Mr. Anzalone pointed out the objective is to provide live information

to law enforcement, noting a geofence has been installed around all of the municipal utility districts surrounding Summerwood. He then indicated they monitor for alerts by collecting vehicle data using the NCIC database to determine if vehicles were used in related crimes. They also monitor alerts while performing routine patrols. Then, a lengthy session of questions and answers ensued between Mr. Anzalone and the Board.

Director Hood, Messrs. Maas and Turner, and Ms. Fields exited the meeting during the discussion.

The Board then discussed their current patrol contract and joint letter agreement that allows five (5) constables to be cost-shared four (4) ways. Mr. Roach noted the District would pay \$66,500 for the first year of Flock's services, including installation and equipment, and confirmed subsequent years would cost \$30,000.

Next, Mr. Roach presented Director Harding's resignation letter to the Board. After some discussion, Director Dobbs motioned to appoint Director Covart as President of the Board. Director Roundy seconded the motion, which passed unanimously. Then, Director Roundy motioned to approve the Flock Security agreement, subject to RAPLLC's review. Director Covart seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

This item was not discussed.

***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 regular meeting on September 8, 2023, at 12:00 p.m. at RAPLLC's Woodlands office. The meeting adjourned at 1:47 p.m. due to a loss of quorum.

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Approved this 8th day of September 2023.

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

(SEAL)



LIST OF EXHIBITS

- Exhibit A - Bookkeeper's Report
- Exhibit B - Engineer's Report
- Exhibit C - Operator's Report