

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

February 7, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 359 (the "District") met in regular session at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Blanco Conference Room, Houston, Texas 77027, outside the boundaries of the District, on the 7th day of January, 2024, and the roll was called of the members of the Board being present:

Neil Daniels	President
Marilyn Keys	Vice President
Hubert Pierre	Secretary
David Keller	Assistant Vice President
Mike Berry	Assistant Secretary

and all of the above were present, except Directors Keys and Berry, thus constituting a quorum.

Also attending the meeting were: Marilyn Keys and Mike Berry, via teleconference; Glenn Woodson of Storm Maintenance and Monitoring; Emma Highberger of Wheeler & Associates, Inc. ("Wheeler"); Kathy Kaufman, representing the Shadowlake Homeowners Association (the "HOA"); Crystal Swink of IDS Engineering ("IDS"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; and Andrew Vaughan and Alyssa Peruchini of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Ms. Kaufman commented on the status of the Shadowlake Trail, noting that this project is substantially complete and is open for use. Ms. Kaufman requested that the Board consider approving an additional conduit for the installation of a water feature in the lake. Next, she provided clarification on behalf of the HOA regarding the request to keep certain pumps.

PRESIDENT'S COMMENTS

Director Daniels discussed the timing of when certain requests for information are submitted to District consultants.

APPROVAL OF THE MINUTES

The Board considered approving the minutes of the January 3, 2024, regular

meeting. Following review and discussion, Director Pierre moved to approve the minutes. Director Keller seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Highberger presented and reviewed the District's monthly tax report and delinquent tax roll, a copy of which is attached, reflecting that 81.51% of the District's 2023 taxes were collected as of the end of January 2024. After review and discussion, Director Pierre moved to approve the tax report and payment of the invoices. Director Keller seconded the motion, which passed unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board concurred to defer action on this agenda item until the March 6, 2024, regular meeting.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board noted that there were no directors who had attended the AWBD winter conference and discussed attendance at the AWBD summer conference. After review and discussion, Director Keller moved to authorize all interested directors to attend the AWBD summer conference. Director Pierre seconded the motion, which carried by unanimous vote.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a proposal from Brown & Brown Insurance Services, Inc. ("Brown & Brown") for the renewal of District's insurance policies. Following review and discussion, Director Keller moved to approve the proposal presented by Brown & Brown, with the director liability coverage renewed through the Texas Municipal League, for the renewal of the insurance policies and direct that the proposal be filed appropriately and retained in the District's official records. Director Pierre seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF THE BILLS AND REVIEW OF INVESTMENTS

Ms. Garcia reviewed the bookkeeper's report, including a list of checks presented for payment and the quarterly investment report, a copy of which is attached. She noted that three checks will be voided: (1) check no. 5251, made payable to Michael Berry; (2) check no. 5256, made payable to the HOA; and (3) check no. 5257, made payable to the HOA. After review and discussion, Director Pierre moved to approve the bookkeeper's

report, investment report, and payment of the bills listed in the report. Director Keller seconded the motion, which passed unanimously.

RECEIVE UPDATE ON THE CITY OF HOUSTON (THE "CITY") REBATE MATTERS

There was no discussion on City rebate matters.

REVIEW STATUS OF DETENTION POND MAINTENANCE AND MOWING

Mr. Woodson reviewed the monthly report on the detention pond maintenance and mowing, a copy of which is attached.

ADOPT RESOLUTION ESTABLISHING RULES AND REGULATIONS GOVERNING USE OF DISTRICT FACILITIES

Mr. Vaughan distributed and reviewed a Resolution Establishing Rules and Regulations Governing Use of District Facilities with the Board (the "Resolution"). The Board requested certain revisions to the Resolution. Following review and discussion, Director Keller moved to approve the Resolution, as revised. Director Pierre seconded the motion, which carried unanimously.

ENGINEERING MATTERS

Ms. Swink reviewed the engineer's report, a copy of which is attached.

Ms. Swink discussed the construction status of the lake shoreline stabilization project and reviewed an updated map and photos of the project as reflected in her report. She responded to questions from the Board related to same.

Ms. Swink reviewed and recommended approval of Change Order No. 4 to the contract with Storm Water Solutions ("SWS") for the lake shoreline stabilization project, with a zero net change to the contract amount. She stated that Change Order No. 4 will remove and replace the stuck gate valve at the northmost weir and remove and replace the Type E Inlet Top with Type A Inlet Top. The Board determined that Change Order No. 4 is beneficial to the District.

Ms. Swink reported that IDS is working with Lake Management Group to determine what modifications may be feasible to the HOA well pump. She requested that the Board authorize IDS to submit a temporary withdrawal permit application to the Harris-Galveston Subsidence District ("HGSD"), subject to the concurrence of the HOA. Mr. Vaughan noted that the payment for the permit application will be made directly to the HGSD. In connection with additional HOA matters, Ms. Swink noted that IDS will obtain written confirmation from the HOA that SWS is authorized to remove and store the pump house facility, as discussed. The Board next considered

authorizing a sleeve installation between wildlife access points for future fountains to be operated and maintained by the HOA.

The Board and Ms. Swink discussed the private drain line that connects to Shadowlake from 12411 Shady Downs Drive. She requested Board authorization for IDS to request that the homeowner submit drawings of the drain line for review at which point IDS will request a price from SWS to repair the damaged facility, and then bill the homeowner for the work.

The Board requested clarification of “heavy” mowing equipment as used in the construction contract with SWS.

After review and discussion, Director Keller moved to (1) approve the engineer’s report; (2) approve Change Order No. 4 to the contract with SWS, based upon the Board’s finding that the Change Order is beneficial to the District and the engineer’s recommendation; (3) authorize IDS to submit a temporary withdrawal permit application to the HGSD, contingent upon concurrence from the HOA; (4) authorize SWS to remove and store the pump house facility; (5) authorize sleeve installation between wildlife access points, as discussed; and (6) authorize IDS to work with the homeowner at 12411 Shady Downs Drive to remove the drain line that connects to Shadowlake and bill the homeowner for the associated work. Director Daniels seconded the motion, which passed by unanimous vote.

2024 DIRECTORS ELECTION

Mr. Vaughan discussed procedures related to the 2024 Directors Election.

Mr. Vaughan explained that the Harris County Clerk notified the District that Harris County will not contract with political subdivisions, such as the District, to administer the District’s May 2024 directors election. He stated that, as a result, the District will not contract with Harris County, as previously authorized, but instead the District will administer its own election. In connection with same, Mr. Vaughan recommended that the Board authorize notice of exemption for use of electronic voting systems and set pay for election officials to \$18.00 per hour.

Mr. Vaughan next reviewed an Order Calling Directors Election.

Mr. Vaughan requested authorization to post or provide the Notice of Election to the Harris County (the “County”) Clerk and Voter Registrar of the County.

Following review and discussion, Director Keller made the following motion: (1) to authorize notice of the exemption for electronic voting systems; (2) set the pay for election officials to \$18.00 per hour; (3) adopt the Order Calling Directors Election; and

(3) authorize the Notice of Election be provided to the County Clerk and Voter Registrar of the County. Director Pierre seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME WITH APPROPRIATE INFORMATION DEPOSITORIES IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Mr. Vaughan reviewed the District's annual report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. He stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). Following review and discussion, Director Keller moved to approve the annual report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolution through EMMA, and direct that the report be filed appropriately and retained in the District's official records. Director Pierre seconded the motion, which passed unanimously.

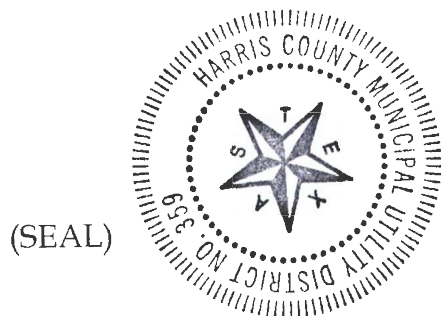
ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Vaughan stated that no changes are required at this time.

MEETING SCHEDULE AND ITEMS FOR THE NEXT BOARD MEETING

The Board discussed agenda items for the next Board meeting and concurred to hold its next regular meeting on March 6, 2024, at 12:30 p.m., at ABHR, 3200 Southwest Freeway, Suite 2400, Blanco Conference Room, Houston, Texas 77027.

There being no further business to come before the Board, the meeting adjourned.



W. M. Berry
Asst. Secretary, Board of Directors

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