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MINUTES HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

March 6, 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 6th day of March, 2024, and the roll was called of the members of the Board being present:

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| 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 Director Pierre, thus constituting a quorum.

Also attending the meeting were: Jose Eleazav and Tor Persson, residents of the District; Glenn Woodson of Storm Maintenance and Monitoring; Emma Highberger of Wheeler & Associates, Inc. (“Wheeler”); Kathy Kaufman, representing the Shadowlake Homeowners Association (the “HOA”); Matt Carpenter 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

Mr. Persson commented on the reported leaking of Shadowlake. The Board concurred to further discuss this comment later in the agenda, during the engineer’s report, agenda item 9.

PRESIDENT’S COMMENTS

Director Daniels reiterated the discussion from the February regular meeting regarding 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 February 7, 2024, regular meeting. Following review and discussion, Director Berry moved to approve the minutes, as presented. Director Keller seconded the motion, which carried unanimously.

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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 93.01% of the District's 2023 taxes were collected as of the end of February 2024. After review and discussion, Director Berry 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 reviewed a tax exemption analysis prepared by Masterson Advisors regarding the granting of tax exemptions for tax year 2023. Next, the Board reviewed a Resolution Concerning Exemptions from Taxation. After review and discussion, Director Keys moved to adopt the Resolution Concerning Exemptions from Taxation reflecting a provision for a \$10,000 exemption for persons who are over 65 or disabled and rejected any other exemptions for residential homesteads from ad valorem taxation, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Berry seconded the motion, which passed unanimously.

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. The Board discussed opening a Capital Project Funds checking account with Central Bank. After review and discussion, Director Berry 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

The Board discussed 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.

ENGINEERING MATTERS

Mr. Carpenter reviewed the engineer's report, a copy of which is attached.

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Mr. Carpenter discussed the construction status of the lake shoreline stabilization project and reviewed an updated map and photos of the project as reflected in his report. He responded to questions from the Board related to same.

Mr. Carpenter reviewed and recommended approval of Change Order No. 5 to the contract with Storm Water Solutions (“SWS”) for the lake shoreline stabilization project, to increase the contract in the amount of \$56,420.00, for the addition of block wall adjacent to wall 1 and 7, the addition of select fill for block wall, and the reduction for Shoresox for the same limits of added block wall. The Board determined that Change Order No. 5 is beneficial to the District. Next, Mr. Carpenter reviewed and recommended approval of Pay Estimate No. 3, in the amount of \$574,917.30, payable to SWS.

Mr. Carpenter stated that IDS is continuing to work with Lake Management Group to determine what modifications may be feasible to the HOA well pump. He stated that IDS has prepared the temporary withdrawal permit application to submit to the Harris-Galveston Subsidence District.

Mr. Carpenter stated that per the Board’s direction at the February regular meeting, the recirculation system is to be maintained and the pump house is to be removed.

Mr. Carpenter updated the Board regarding the removal of the private drain line that connects to Shadowlake from 12411 Shady Downs Drive.

Mr. Carpenter next discussed a reported irrigation leak at 12423 Shady Downs Drive, stating that SWS identified the leak and noted that it is adversely impacting the top bank of the detention basin. He stated that IDS coordinated with the HOA to contact the homeowner regarding same.

Mr. Carpenter stated that IDS will perform an annual inspection of the District’s stormwater detention facilities, to identify any areas of concern regarding side slope stability, pilot channel sediment accumulation, fencing, drainage pipe conditions, backslope swale system functionality, berm stability, concrete weired conditions, segmented block wall condition, and the condition of any other side slope protection systems.

The Board returned to the earlier public comment regarding the reported leaking of Shadowlake. Mr. Carpenter reminded the Board of previous conversations and a previously submitted proposal for a water reclamation system that the Board determined not to proceed with project.

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Mr. Carpenter responded to questions from Director Keys regarding the lake shoreline stabilization project.

After review and discussion, Director Berry moved to (1) approve the engineer's report; (2) approve Change Order No. 5 to the contract with SWS, in the amount of \$56,420.00, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; (3) approve Pay Estimate No. 3, in the amount of \$574,917.30, payable to SWS for the lake shoreline stabilization project; and (4) approve the disbursement of funds to SWS subject to final legal review. Director Keller seconded the motion, which passed by unanimous vote.

2024 DIRECTORS ELECTION

Mr. Vaughan discussed procedures related to the 2024 Directors Election. He presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received two candidate applications for the two director positions for the May 4, 2024, Directors Election.

Mr. Vaughan presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office ("Order Cancelling") stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates Hubert Pierre and David Keller are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. He reviewed the posting requirements for the Order Cancelling.

Following review and discussion, Director Keller moved to (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records; and (2) adopt the Order Cancelling, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that the Order Cancelling be filed appropriately and retained in the District's official records. Director Berry seconded the motion, which passed unanimously.

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 April 3, 2024, at 12:30 p.m., at ABHR, 3200 Southwest Freeway, Suite 2400, Blanco Conference Room, Houston, Texas 77027.

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

Secretary, Board of Directors

(SEAL)

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