

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 355

September 2, 2022

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 355 (the "District") met in regular session, open to the public, on the 2nd day of September, 2022, at the offices of Allen Boone Humphries Robinson LLP ("ABHR"), 3200 Southwest Freeway, Suite 2400, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Kurt A. Baerenstecher	President
Claude A. Zackary	Vice President
Jon Elmendorf	Secretary
Gary D. Lower	Assistant Vice President
Letha P. Slagle	Assistant Secretary

and all of the above were present except Director Lower, thus constituting a quorum.

Also present for all or part of the meeting were Tammy Meador and Pam Seghers, residents of the District; Brian Krueger of FORVIS, LLP; Anthea Moran of Masterson Advisors LLC; Patty Rodriguez of Bob Leared Interests, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; Scott Gray and Luis Cebrian of Champions Hydro-Lawn, Inc. ("CHL"); and Andy Mersmann of BGE, Inc. ("BGE"); and Greer Pagan and Justine M. Cherne of ABHR.

The District established a telephone option for members of the public to listen to the meeting and address the Board. No one attended the meeting by telephone.

PUBLIC COMMENTS

Mr. Albaugh addressed the Board to report that he provided documents related to irrigation pump stations 100 and 200 to Director Elmendorf and Mr. Mersmann. Mr. Albaugh thanked the Board for replacing the District's flap gate with a lighter aluminum flap gate to assist with maintenance of the water level in Palm Lake. He inquired about the long-term maintenance of the District's drainage swales and ditches.

APPROVE MINUTES

The Board considered approving the minutes of its August 5 and August 25, 2022, meetings. Following review and discussion, Director Zackary moved to approve the minutes as written. Director Elmendorf seconded the motion, which passed unanimously.

ENGAGE AUDITOR

Mr. Krueger reported that BKD, LLP merged with another auditing company and changed its name to FORVIS, LLP. He reviewed a proposal to conduct the District's audit for fiscal year end September 30, 2022. He stated that the proposed fee for the annual audit was \$18,300.00, including fees and expenses. Following review and discussion, Director Slagle moved to engage FORVIS, LLP to conduct the District's audit for fiscal year end September 30, 2022. Director Zackary seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Rodriguez reviewed the tax assessor/collector's report and invoices for payment. A copy of the tax assessor/collector's report, including a list of checks presented for approval, is attached. Ms. Rodriguez reported that as of August 31, 2022, 98.5% of the District's 2021 taxes were collected. Following review and discussion, Director Elmendorf moved to approve the tax assessor/collector's report and payment of the invoices as presented. Director Zackary seconded the motion, which passed unanimously.

DISCUSS 2022 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Pagan discussed the two-step process for setting the District's 2022 tax rate. Ms. Moran distributed and reviewed a 2022 Debt Service Tax Rate Recommendation reflecting the recommendation for the District to levy a 2022 debt service tax rate of \$0.03 per \$100 of assessed valuation, based on the District's initial 2022 certified value of \$730,311,256.00, plus \$23,336,298.00 representing 80% of the uncertified value under protest. A copy of the debt service tax rate recommendation is attached. The Board then discussed the District's budget and operation and maintenance tax rate.

Following review and discussion, Director Elmendorf moved to authorize the tax assessor/collector to publish notice in a qualified local newspaper of the District's public hearing on October 7, 2022, to set the proposed 2022 total tax rate of \$0.056 per \$100 of assessed valuation, with \$0.03 allocated for debt service and \$0.026 allocated for operations and maintenance. Director Zackary seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne presented the bookkeeper's report and invoices for payment. A copy of the bookkeeper's report, including a list of checks presented for approval, is attached. Following review and discussion, Director Zackary moved to approve the bookkeeper's report and payment of the invoices as presented. Director Slagle seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2023

Mr. Hawthorne presented a draft budget for fiscal year end September 30, 2023. Discussion ensued regarding proposed modifications to line items in the budget. Following review and discussion, Director Zackary moved to adopt the budget for fiscal year end September 30, 2023, subject to the modifications as discussed. Director Slagle seconded the motion, which passed unanimously.

DETENTION AND DRAINAGE FACILITIES MAINTENANCE

Mr. Gray thanked the Board for its business and introduced Mr. Cebrian. Mr. Gray reviewed a Detention and Drainage Facilities Report and reported on maintenance items. A copy of the report is attached.

Mr. Albaugh requested that the Board paint the District's gate located at the swale near Valedictorian Drive. Following review and discussion, Director Slagle moved to authorize CHL to paint the gate to the Lakes of Parkway Homeowners Association's ("HOA") specifications in an amount not to exceed \$1,000.00. Director Elmendorf seconded the motion, which passed unanimously.

Discussion ensued regarding a sinkhole on Harris County Flood Control District's ("HCFC") property. Mr. Mersmann reported that he informed representatives of HCFC and the City of Houston of the hazardous conditions caused by the sinkhole. He stated that the City of Houston has scheduled the repair of the sinkhole.

Discussion ensued regarding an overflow pipe draining into the District's swale located near Jade Cove Court from a resident's backyard. Following discussion, the Board concurred to authorize Director Zackary to coordinate with Ms. Meador to address the matter with the HOA.

ENGINEERING MATTERS, INCLUDING REPLACEMENT OF FLAP GATE

Mr. Mersmann reported that the District's larger flap gate has been replaced with a lighter aluminum flap gate. He noted that Pay Estimate No. 1 and Final in the amount of \$23,730.00 was included in the previously approved bookkeeper's report. Discussion ensued regarding observations of improved drainage due to the installation of the lighter gate.

Mr. Mersmann reported on the status of BGE's preparation of specifications and a Request for Quotation for replacement of irrigation pump stations 100 and 200 and responded to questions and comments regarding the schedule for the project, performance requirements, and coordination with the HOA.

WATER CONSERVATION PROJECT, PHASES II AND III

Ms. Seghers reported that Westco Grounds Maintenance, LLC (“Westco”) was unable to receive approval from Waterwise Irrigation, Inc. (“Waterwise”) for the design to replace the common area irrigation drip lines in the median located on Lakes of Parkway Boulevard behind the guard house. She recommended that the Board approval a proposal from Waterwise in the amount of \$13,500.00 in place of Westco’s proposal approved last month for the project in the amount of \$9,833.39. Ms. Seghers reported that the total cost of the project to replace the common area irrigation drip lines in the medians was under budget by over \$5,000.00, including the recommended replacement Waterwise proposal. Following review and discussion, Director Slagle moved to approve the proposal from Waterwise in the amount of \$13,500.00 in place of the previously approved proposal from Westco. Director Elmendorf seconded the motion, which passed unanimously.

CONTRACT MATTERS

Director Baerenstecher discussed the District’s special meeting held August 25, 2022.

MEETING SCHEDULE

Following discussion, the Board concurred to hold its next regular meeting at 12:00 p.m. on Friday, October 7, 2022, at ABHR’s offices.

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

(SEAL)



[Handwritten Signature]
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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