

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 36,
OF HARRIS COUNTY, TEXAS

Minutes of Meeting of Board of Directors
June 10, 2021

The Board of Directors ("Board") of Harris County Municipal Utility District No. 36, of Harris County, Texas ("District"), met in regular session on June 10, 2021, in accordance with the duly posted notice of meeting. The meeting was held via telephone conference call pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, certifying that the COVID-19 pandemic poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas. The roll was called of the duly constituted officers and members of the Board, as follows:

Chris Mayeu	President
Gina Angulo	Vice President
George Peckham	Secretary/Treasurer
Rose Mary Bundscho	Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also attending the meeting via telephone conference call were Keith Arrant of Municipal Operations & Consulting, Inc. ("Municipal Operations"); Arturo Cornejo of Municipal Accounts & Consulting, L.P. ("MA&C"); Eric Johnson of IDS Engineering Group ("IDS"); Tim Spencer of Ad Valorem Appraisals, Inc. ("Ad Valorem"); John Elder and Hayden Gaspard of Acclaim Energy Advisors ("Acclaim"); and Daniel Ringold and Peyton Ellis of Schwartz, Page & Harding, L.L.P. ("SPH").

EXPLANATION OF TELEPHONE CONFERENCE MEETING PROCEDURES

Mr. Ringold explained to all in attendance the requirements of the Texas Open Meetings Act, as modified by the Governor's Disaster Proclamation, relative to the conduct of meetings by telephone. In connection therewith, he informed the participants that the meeting would be recorded, and requested that each participant clearly state his or her name before speaking, including when making or seconding a motion. Mr. Ringold further explained that a roll call vote will be taken for all motions and requested that Board members vote with a verbal indication of being in favor of, opposed to, or abstaining from voting on the motion when his or her name is called. Similarly, Mr. Ringold stated that a full roll call of all participants would be conducted at the start of the meeting for attendance purposes. Mr. Ringold proceeded to perform a roll call to establish attendance of Board members, consultants, development representatives, and members of the public, if any.

Following such roll call, the President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

There being no members of the public present on the call, the Board continued to the next item of business.

MINUTES OF MEETING

The Board considered approval of the minutes of its meeting held on May 13, 2021. After discussion, Director Angulo moved that the minutes of the meeting held on May 13, 2021, be approved as presented. Director Peckham seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Cornejo presented to and reviewed with the Board a Bookkeeper's Report dated June 10, 2021, including a listing of the checks presented for payment. A copy of such Bookkeeper's Report is attached hereto as **Exhibit A**. Following discussion, it was moved by Director Angulo that said report be approved, and that the disbursements identified therein be approved for payment. Director Peckham seconded the motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Mr. Spencer presented to and reviewed with the Board a written Tax Collector's Report regarding tax collections within the District for the month ended May 31, 2021, including a list of bills and charges to be paid out of the District's Tax Account, a copy of which is attached hereto as **Exhibit B**. Following discussion, Director Angulo moved that the Tax Collector's Report and the disbursements reflected therein be approved. The motion was seconded by Director Peckham and unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

In connection with the District's delinquent tax collections, Mr. Ringold presented to and reviewed with the Board a written Delinquent Tax Report provided by Perdue, Brandon, Fielder, Collins, & Mott, L.L.P., dated June 10, 2021, a copy of which is attached hereto as **Exhibit C**. He noted that there were no items on the report requiring action by the Board at this time.

OPERATIONS REPORT

Mr. Arrant presented to and reviewed with the Board written Operations Reports for the month of April 2021, copies of which are attached hereto as **Exhibit D**.

Mr. Arrant requested that Municipal Operations be given authorization to write off three (3) accounts totaling \$685.16 as uncollectible. After discussion on the matter, Director Angulo moved that Municipal Operations be authorized to write off the accounts totaling \$685.16, as described on the uncollectible account list attached to the Operations Report. Director Peckham seconded said motion, which unanimously carried.

DISCUSSION REGARDING GENERATOR PERFORMANCE DURING WINTER STORM URI

Mr. Elder and Mr. Gaspard provided the Board with an update regarding the performance of the District's generator at its Water Plant during Winter Storm Uri (the "Storm"). A copy of a report detailing the generator's run time during the Storm is attached hereto as **Exhibit E**. In connection therewith, Mr. Elder advised the Board that there are two issues causing a delay in the District's receipt of funds in connection with the revenues derived from running the generator during the Storm and providing power back to the grid. First, Mr. Elder reported that the value of the displaced energy during the Storm totaled \$1,290.00, and that the District is entitled to seventy percent (70%) of the that revenue. He further reported that such amount has been submitted to GLO/Cavallo for review and approval. Secondly, Mr. Elder reported that the value of the exported energy totaled \$48,727.00, of which the District is entitled to seventy percent (70%) of the revenue. He further advised that such amount is currently under dispute between ERCOT and MP2, and that Acclaim is in the process of negotiating to settle the dispute to ensure that the District receives the generated revenue. Mr. Gaspard advised the Board that Acclaim anticipates the District will receive the total revenue owed to it within the next forty-five (45) days, and will provide the Board with an update after the forty-five (45) day period expires.

ENGINEER'S REPORT

Mr. Johnson presented to and reviewed with the Board a written Engineer's Report dated June 10, 2021, concerning engineering projects within the District, a copy of which is attached hereto as **Exhibit F**.

In connection with the schedule for the second phase of the Wastewater Collection System Rehabilitation project (the "2022 Project"), Mr. Johnson advised the Board that he plans to present the contract for award by the Board at its August meeting with construction to begin in October.

In connection with the Water Distribution System Rehabilitation (the "Project"), Mr. Johnson advised the Board that IDS conducted an initial review of the District's water distribution system and requested that the Board authorize the preparation of a digital water pressure model of the system. Following discussion, Director Angulo moved to authorize IDS to prepare the digital water pressure model of the system. Director Peckham seconded the motion, which unanimously carried.

DEVELOPER REPORT

The Board deferred discussion of the Developer Report, as no developer was present at the meeting.

ATTORNEY'S REPORT

The Board considered the attorney's report. Mr. Ringold advised the Board that the Governor recently signed into law HB No. 1118, which specifies that going forward, only those employees and elected and appointed officials that have access to a local government computer

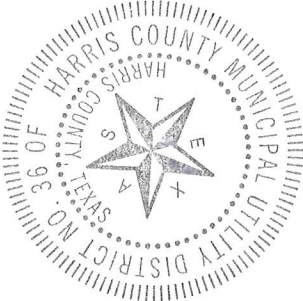
system or database and which use a computer to perform at least 25% of their duties related to the District are required to take annual cybersecurity training. He further advised the Board that the Directors of the District qualify for an exemption to the requirements for such training, and that if a Director has not completed the training for the current year, they will not be required to do so.

FUTURE AGENDA ITEMS

The Board did not request any items be placed on future agendas other than regular and on-going items.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Angulo, seconded by Director Peckham and unanimously carried, the meeting adjourned.



George W. Peckham

Secretary, Board of Directors

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LIST OF ATTACHMENTS TO MINUTES

- Exhibit A - Bookkeeper's Report
- Exhibit B - Tax Assessor-Collector's Report
- Exhibit C - Delinquent Tax Report
- Exhibit D - Operations Report
- Exhibit E - On-site Generator Analysis
- Exhibit F - Engineer's Report

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