

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

Minutes of Meeting of Board of Directors  
October 12, 2023

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 36, of Harris County, Texas (the "District"), convened in regular session, open to the public, on October 12, 2023, at 12:00 noon, at 1300 Post Oak Boulevard, Suite 2500, Houston, Texas, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Chris Mayeu, President  
Gina Angulo, Vice President  
Rose Mary Bundscho, Assistant Secretary

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

Also present were Rahi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"); Chris Davy of Ad Valorem Appraisals, Inc. ("Ad Valorem"); Ryan Vaughan of Municipal Operations & Consulting, Inc. ("Municipal Operations"); Mark Carter, a prospective Director; and Eric Lai, Kendall Dicke and Melanie Walsh of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before it.

**PUBLIC COMMENT**

There were no comments received from the public.

**MINUTES OF MEETING**

The Board considered approval of the minutes of its meeting held on August 31, 2023. After discussion, Director Angulo moved that the minutes of the meeting held on August 31, 2023, be approved as presented. Director Bundscho seconded said motion, which unanimously carried.

**ACCEPTANCE OF STATEMENT OF APPOINTED OFFICER, AFFIDAVIT OF CURRENT DIRECTOR, OATH OF OFFICE, OFFICIAL BOND, AND ELECTION NOT TO DISCLOSE CERTAIN INFORMATION**

The Board next considered the appointment of a Director to fill one of the existing vacancies on the Board. In connection therewith, Mr. Carter then presented his Statement of Appointed Officer and Affidavit of Current Director and took his Oath of Office. Mr. Carter also presented his Official Bond to the Board and the Board found said Bond to be in proper form. After discussion on the matter, it was moved by Director Mayeu, seconded by Director Angulo and unanimously carried, that the Board approve said Bond, accept said Statement of Appointed

Officer, Affidavit of Current Director, and Oath of Office and declare Mark Carter to be a duly appointed and qualified Director of the District. Director Carter then participated in the remainder of the meeting.

Mr. Lai then advised the Board that, pursuant to Section 552.024 of the Texas Government Code, as amended, Directors may elect to withhold public access to certain information in the custody of the District relating to home addresses, home telephone numbers, social security numbers and information regarding family members by submittal of an appropriate disclosure form. In that regard, Mr. Lai presented the Election Not to Disclose Certain Information form ("Election Not to Disclose") submitted by Director Carter for the District's records. It was then moved by Director Mayeu, seconded by Director Angulo and unanimously carried, that the Board accept Director Carter's Election Not to Disclose.

### **ELECTION OF OFFICERS OF THE BOARD OF DIRECTORS**

The next item to be considered was the reorganization of the Board, if necessary. The Board considered the election of an Assistant Secretary of the Board. After discussion, Director Carter was nominated as an Assistant Secretary of the Board. Upon motion made by Director Mayeu, seconded by Director Angulo and unanimously carried, Director Carter was elected as an Assistant Secretary of the Board.

### **DISTRICT REGISTRATION FORM**

The Board next considered approving an updated District Registration Form and the filing of same with the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Lai explained that, in accordance with the Texas Water Code, municipal utility districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty days after an election or appointment. He advised that, with the Board's approval, SPH will complete the updated District Registration Form to reflect the term of office and mailing address for Director Carter, and will file the form with the TCEQ. After further discussion of the matter, Director Angulo moved that the Board authorize SPH to complete the updated District Registration Form as discussed and file same with the TCEQ. Director Bundscho seconded said motion, which unanimously carried.

### **LOCAL GOVERNMENT OFFICERS LIST**

Mr. Lai advised the Board that the District is required to maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Angulo moved that SPH be authorized to update the District's list of Local Government Officers as required by law. Director Bundscho seconded said motion, which unanimously carried.

### **DIRECTOR TRAINING REQUIREMENTS**

Mr. Lai next discussed with Director Carter the training requirements for public officials. He advised that public officials, including directors of a municipal utility district, must complete separate training courses regarding the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA") within ninety (90) days of assuming their official duties. He noted that

the Texas Attorney General has prepared an online course which satisfies the training requirements for both the OMA and PIA. Mr. Lai further noted that it is the responsibility of each Director to ensure that they complete their training by the applicable deadline.

**DISCUSSION OF CONFLICTS DISCLOSURE REPORTING REQUIREMENTS**

Mr. Lai next presented a Memorandum prepared by SPH and a questionnaire regarding conflict of interest disclosure reporting and discussed same with Director Carter. Director Carter presented his completed conflict of interest questionnaire.

**BOOKKEEPER'S REPORT**

Mr. Patel presented to and reviewed with the Board a Bookkeeper's Report dated October 12, 2023, including checks presented for payment, a copy of which is attached hereto as **Exhibit A**. Following discussion of the report presented, it was moved by Director Angulo, seconded by Director Bundscho, and unanimously carried, that the Bookkeeper's Report be approved and the disbursements identified therein be approved for payment, including additional check no. 6740 payable to Director Carter for his fees of office for today's Board meeting.

**COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING**

Mr. Patel advised the Board that, pursuant to the energy efficiency and reporting requirements set forth in Texas Government Code Chapter 2265, the District must (i) report its annual electricity usage and costs in an electronic format, and (ii) make such report publicly accessible. Mr. Patel then presented and reviewed with the Board an electricity usage and expense report (the "Energy Cost and Usage Report") for the District for the period October 2022 through September 2023, a copy of which is attached to the Bookkeeper's Report. After discussion, Director Angulo moved that the Energy Cost and Usage Report be approved by the Board. Director Bundscho seconded the motion, which unanimously carried.

**ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER**

The Board considered a review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. Mr. Lai presented for the Board's review an amended Investment Policy and a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). The Resolution and Investment Policy are attached hereto as **Exhibit B**. Mr. Lai then discussed the proposed revisions to the District's Investment Policy. After discussion on the matter, Director Angulo moved that (i) the amended Investment Policy be approved to reflect the proposed changes, (ii) the Board adopt the Resolution, and (iii) the President and Assistant Secretary be authorized to execute the Investment Policy and the Resolution on behalf of the Board and the District. Director Bundscho seconded said motion, which unanimously carried.

**TAX ASSESSOR-COLLECTOR'S REPORT**

Mr. Davy presented to and reviewed with the Board a written Tax Collector's Report

regarding tax collections within the District for the month ended September 30, 2023, including a list of bills and charges to be paid out of the District's Tax Account for the month ended September 30, 2023, a copy of which is attached hereto as **Exhibit C**. Following discussion, Director Angulo moved that: (i) the Tax Collector's Report and the disbursements reflected therein be approved, as presented; and (ii) the Board's prior approval of the increase of the data processing fee relative to the District's tax account be ratified in all respects. The motion was seconded by Director Bundscho and unanimously carried.

### **DELINQUENT TAX COLLECTIONS REPORT**

Mr. Lai presented to and reviewed with the Board a Delinquent Tax Report dated September 14, 2023, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's delinquent tax collections attorneys. A copy of said report is attached hereto as **Exhibit D**. The Board noted there were no action items in the report.

### **PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2023 TAX RATE**

The Board conducted a public hearing regarding the adoption of the District's proposed tax rate for 2023. After noting that no taxpayer testimony was offered, the hearing was closed by concurrence of the Board.

### **CONSIDER LEVY OF THE DISTRICT'S 2023 TAX RATE, AND THE ADOPTION OF AN ORDER IN CONNECTION THEREWITH**

The Board discussed setting the District's 2023 tax rate and levying the District's 2023 taxes. Mr. Davy confirmed that the notice of the District's intention to set the proposed tax rate and notice of hearing had been published in the Houston Chronicle newspaper, in accordance with all legal requirements and as directed at the Board's October 31, 2023 meeting. After discussion on the matter, Director Angulo moved that: (i) the Board adopt the tax rate as discussed at the Board's October 31, 2023 meeting and in accordance with the notice; (ii) the District levy a 2023 maintenance tax rate of \$0.14 per \$100 of assessed valuation; and (iii) the Order Levying Taxes, attached hereto as **Exhibit E**, be adopted in connection therewith, and the President be authorized to execute and the Assistant Secretary to attest same on behalf of the Board and the District. Director Bundscho seconded said motion, which carried unanimously.

### **AMENDMENT TO DISTRICT INFORMATION FORM**

Mr. Lai presented to and discussed with the Board an Amendment to the Third Amended and Restated District Information Form ("DIF") relative to the District's 2023 tax rate. After discussion regarding the amendment to the DIF, Director Angulo moved that (i) the DIF be approved, and (ii) the Board members present be authorized to execute same on behalf of the Board and the District. Director Bundscho seconded said motion, which carried unanimously.

### **OPERATIONS REPORT**

Mr. Vaughan presented to and reviewed with the Board a written Operations Report for the month of August 2023, a copy of which is attached hereto as **Exhibit F**. Director Mayeu requested that MOC include information regarding the District's permitted volume in its Operations Reports going forward. Following review and discussion, it was noted that no action

was required by the Board in connection with the Operations Report.

**ENGINEER'S REPORT**

The Board next considered the Engineer's Report. With regard thereto, it was noted that the Engineer's Report, a copy of which is attached hereto as **Exhibit G**, was circulated to the Board for review prior to today's meeting. After a brief discussion, no action was taken by the Board in connection with the Engineer's Report at this time.

**REPORT ON THE DISTRICT'S GENERATOR, INCLUDING STATUS OF RECEIPT OF REVENUES ASSOCIATED WITH PERFORMANCE DURING WINTER STORM URI**

Director Mayeu advised that he had nothing new to report to the Board at this time in connection with the District's receipt of revenue for operation of the District's generator at its Water Plant.

**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. In connection therewith, Mr. Lai advised that he had nothing further of a legal nature to discuss with the Board at this time.

**CLOSED SESSION**

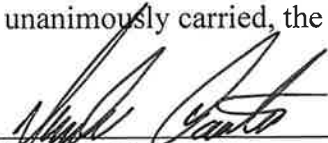
The Board determined that it was not necessary to enter into Closed Session.

**FUTURE AGENDA ITEMS**

The Board next considered items for placement on future agendas. No specific agenda items, other than routine and ongoing matters and matters noted earlier in the meeting, were requested.

**ADJOURNMENT**

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

  
\_\_\_\_\_  
Assistant Secretary,  
Board of Directors

(SEAL)



692266\_1.DOC

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

October 12, 2023

LIST OF ATTACHMENTS

- Exhibit A: Bookkeeper's Report
- Exhibit B: Investment Policy Order and Resolution
- Exhibit C: Tax Assessor-Collector Report
- Exhibit D: Delinquent Tax Report
- Exhibit E: Order Levying Taxes
- Exhibit F: Operations Report
- Exhibit G: Engineer's Report

692266\_1.DOC