

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 370

Minutes of Meeting of Board of Directors

March 11, 2024

The Board of Directors of Harris County Municipal Utility District No. 370 met in regular session, open to the public on March 11, 2024, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, in accordance with the duly posted notice of a public meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

Steven G. Reyenga, President
Harold Cobb, Vice President
Mike Ecklund, Secretary
Linda D. Myers, Assistant Secretary
Chuck Werninger, Assistant Secretary

all of whom were present, thus constituting a quorum.

Also attending the meeting were: Phillip Dautrich of TNG Utility Corp. ("TNG"); Putri Tesalonika of Municipal Accounts & Consulting, L.P. ("MAC"); Brian Chovanec of Benchmark Engineering Corporation ("Benchmark"); Nolan Poorbaugh of B&A Municipal Tax Service, LLC ("B&A"); Zach Halbert of Champions Hydro-Lawn, Inc. ("Champions"); Michael Willette and Justin Waggoner of Touchstone District Services, LLC ("Touchstone"); and Eric Lai, Maranda Lawson and Mymy Pham 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 the Board.

PUBLIC COMMENTS

The Board deferred consideration of comments from the public, as no members of the public were present.

APPROVAL OF MINUTES

The Board reviewed the minutes of its meeting held on February 12, 2024. After review and discussion of the minutes presented, Director Reyenga moved that such minutes be approved, as presented. Director Cobb seconded said motion, which unanimously carried.

DETENTION POND MAINTENANCE AGREEMENT

Mr. Lai reported on the status of the approval and execution of the Amended and Restated Detention Pond and Landscape Reserve Maintenance Agreement with Villages at Lakepointe ("VAL") (the "Agreement"). Director Werninger reported further regarding his contact with the Board of Directors of VAL to confirm the status of the approval and execution of the Agreement and noted that he has provided Mr. Cranner with the comments from the VAL Homeowner's Association.

RESIDENTIAL SOLID WASTE PROVIDER TRANSITION

The Board next considered the transition of solid waste collection providers. It was noted that there have been no issues with the Best Trash, LLC ("Best Trash") service and that Texas Pride Disposal Solutions, LLC ("Texas Pride") has not yet collected all of its bins.

TAX ASSESSOR-COLLECTOR'S REPORT

Mr. Poorbaugh presented to and reviewed with the Board the Tax Assessor-Collector Report for the period ending February 29, 2024, and the Delinquent Tax Roll as of February 29, 2024, copies of which are attached hereto as **Exhibit A**, including the disbursements presented for payment, as listed therein. Following discussion, it was duly moved by Director Reyenga, seconded by Director Cobb, and unanimously carried, that the Tax Assessor-Collector Report be approved and the disbursements identified therein be authorized for payment.

DELINQUENT TAX REPORT

Mr. Lai presented to and reviewed with the Board the Delinquent Tax Report dated March 4, 2024, prepared by Ted A. Cox, P.C. ("Cox"), the District's delinquent tax attorney, a copy of which is attached hereto as **Exhibit B**. It was noted that no Board action was required.

UNCLAIMED PROPERTY REPORT AS OF MARCH 31, 2024

The Board considered authorizing the preparation of an Unclaimed Property Report as of March 1, 2024, and the filing of same with the Texas Comptroller of Public Accounts (the "Comptroller") prior to July 1, 2024. After discussion on the matter, Director Cobb moved that the District's Tax Assessor-Collector and Bookkeeper be authorized to research their records regarding any unclaimed property and that the Bookkeeper be authorized to prepare an Unclaimed Property Report, if necessary, for filing with the Comptroller prior to July 1, 2024. Director Ecklund seconded said motion, which unanimously carried.

OPERATOR'S REPORT

Mr. Dautrich presented to and reviewed with the Board the Operations and Maintenance Report dated March 11, 2024, a copy of which is attached hereto as **Exhibit C**.

Mr. Dautrich then reported on the status of the inspection and cleaning of Ground Storage Tank No. 2, and noted that on April 1, 2024, TNG will begin the annual chlorine flushing of the District's lines.

Mr. Dautrich next presented to and reviewed with the Board: (i) two proposals from Accurate Meter and Supply dated February 16, 2024, for: (a) Beacon AMA Polymer E-Series Meters in the amount of \$793,150.00, and (b) Beacon AMA Bronze E-Series Meters in the amount of \$840,580.00; and (ii) a proposal from Core & Main in the amount of \$712,413.00 for smart meters. Copies of the proposals are attached to the Operations and Maintenance Report. After discussion, the Board requested TNG to invite a Badger Meter representative to the April Board meeting.

A discussion ensued regarding how to fund the Smart Meter Installation Project.

Mr. Lai next reported that Texas Water Code Section 13.1396 requires that a district annually submit to each electric distribution utility and each retail electric utility provider, on forms reasonably required by each entity, its facilities which qualify for critical load status and various emergency contact information, in lieu of providing such information to the county judge of each county in which the district has critical load facilities. After discussion on the matter, Director Reyenga moved that the District's engineer and/or operator be authorized to make such annual filing on behalf of the District. Director Ecklund seconded the motion, which carried unanimously.

REVIEW OF WATER CONSERVATION PLAN AND DROUGHT CONTINGENCY PLAN

In connection with the review and, if appropriate, revision of the District's Water Conservation Plan (the "WCP"), Mr. Dautrich reported that TNG has no recommendations to the District's DCP and the Drought Contingency Plan (the "DCP").

BOOKKEEPER'S REPORT

Ms. Tesalonika presented to and reviewed with the Board the Bookkeeper's Report dated March 11, 2024, a copy of which is attached hereto as **Exhibit D**, including the disbursements presented for payment. After discussion, it was moved by Director Cobb, seconded by Director Meyers, and unanimously carried, that the Bookkeeper's Report be approved and the checks presented therein be authorized for payment.

REVIEW OF INTEREST INCURRED ON DISTRICT'S SERIES 2022 UNLIMITED TAX BONDS

The Board discussed deferred discussion of the engagement of Arbitrage Compliance Specialists to prepare interim rebate reports, track liabilities and monitor the interest earned on the Series 2022 Bonds prior to the District's 5-year arbitrage reporting deadline at this time. A discussion ensued regarding ways to spend down the arbitrage funds.

AMENDMENT OF DISTRICT'S FISCAL YEAR END ("FYE") 2024 OPERATING BUDGET

Ms. Tesalonika asked the Board to defer the consideration to amend the District's FYE 2024 Operating Budget until a later Board meeting. After discussion the Board concurred with Ms. Tesalonika's request.

DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Halbert next presented to and reviewed with the Board a Detention and Drainage Facilities Report dated March 11, 2024, a copy of which report is attached hereto as **Exhibit E**. There was no action required by the Board on this matter.

Mr. Dautrich exited the meeting during the discussion of the Detention and Facilities Report.

COMMUNICATIONS REPORT

Mr. Waggoner next presented to and reviewed with the Board the Communications Report for the month of March 11, 2024, a copy of which is attached hereto as **Exhibit F**.

Mr. Halbert exited the meeting during the discussion of the Communications Report.

ENGINEER'S REPORT

Mr. Chovanec's presented to and reviewed with the Board a written Report on Engineering dated March 11, 2024, a copy of which is attached hereto as **Exhibit G** relative to the status of various projects within the District.

Mr. Chovanec next presented to and requested approval for the payment of two pay requests from Champions totaling \$2,103.09 for storm quality maintenance work completed at Turkey Creek in Satsuma Lakes and for maintenance work completed at Turkey Creek in Addicks Reservoir; copies of the pay requests are attached to the Engineer's Report.

After discussion, Director Reyenga moved that the Report on engineering and all action items listed therein be approved, including the approval of all pay estimates and change orders for District projects and all pay applications for the monthly maintenance of Turkey Creek. Director Cobb seconded said motion, which unanimously carried.

ISSUANCE OF UTILITY COMMITMENTS

The Board deferred consideration of utility commitment requests after noting that no new requests had been received.

RENEWAL OF DISTRICT INSURANCE COVERAGES

The Board considered approval of a proposal for renewal of the District's insurance coverages. Mr. Lai reminded the Board that the District's current policies were acquired through Arthur J. Gallagher & Co. ("AJG") will expire on March 31, 2024. Mr. Lai reported that, as authorized, SPH solicited a proposal from AJG and McDonald Wessendorff Insurance ("MW") for the renewal of such policies. Copies of the proposals are attached hereto as **Exhibit H**. A discussion ensued regarding the acceptance of Business Travel insurance. After discussion, Director Reyenga moved that the Board accept the renewal proposal from AJG, to include the Business Travel proposal, and that all optional policies provided therein be declined. Director Meyers seconded the motion, which carried unanimously. A copy of the accepted insurance proposal is attached hereto as **Exhibit I**.

Ms. Tesalonika then requested the Boards approval of check number 9833 in the amount of \$13,828 payable to AJG for the District's 2024-2025 insurance premium. After discussion, Director Reyenga moved to approve check number 9833 payable to AJG. Director Meyers seconded said motion, which unanimously carried.

SUPPLEMENTAL AGENDA

The Board considered cancellation of the Directors Election called for May 4, 2024. Mr. Lai advised that, in accordance with Subchapter C, Chapter 2 of the Texas Election Code, the District may cancel the Directors Election if each candidate whose name is to appear on the ballot and/or has registered as a write-in candidate is unopposed as of 5:00 p.m. on February 20, 2024. In such case, the Board may declare the unopposed candidates to be elected. In that regard, there was presented to the Board a certificate of the Secretary declaring all candidates unopposed. Mr. Lai then presented and reviewed the Order Declaring Candidates Elected, attached hereto as **Exhibit J**. After discussion, Director Reyenga moved that the Order be adopted by the Board declaring Mike Ecklund, Chuck Werninger and Linda Myers elected Directors of the District, each to serve a term of four years or until a successor is duly elected or appointed, that the President or Vice President be authorized to execute and the Secretary or Assistant Secretary to attest same on behalf of the Board and the District, and that the Directors Election called for May 4, 2024, be cancelled. Director Myers seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Lai advised the Board that he had nothing additional to discuss with the Board of a legal nature which was not covered under specific agenda items.

FUTURE AGENDAS

The Board considered items for placement on future agendas. After consideration on the matter, no specific agenda items, other than routine and ongoing matters and those discussed above, were requested.

ADJOURNMENT

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



M. C. [Signature]
Secretary

LIST OF EXHIBITS

- Exhibit A Tax Assessor-Collector Report
- Exhibit B Delinquent Tax Report
- Exhibit C Operations and Maintenance Report
- Exhibit D Bookkeeper's Report
- Exhibit E Detention and Drainage Facilities Report
- Exhibit F Communications Meeting Report
- Exhibit G Engineer's Report
- Exhibit H Proposals Arthur J. Gallagher & Co. and McDonald Wessendorff Insurance
- Exhibit I Accepted - Arthur J. Gallagher & Co. Proposal
- Exhibit J Order Declaring Candidates Elected