

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

June 29, 2017

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 365 (the "District") met in regular session, open to the public, on the 29<sup>th</sup> day of June, 2017, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Joe Myers	President
Megan Bradley	Vice President
Alan Silverman	Secretary
Jeff McClellan	Assistant Secretary
Vacant	Assistant Vice President

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

Also present at the meeting were Chris Faulkner and Sheri Howard, District residents; Patty Rodriguez and Odette McMullen of Bob Leared Interests, Inc.; Mary Lutz of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Michael Murr of Murr, Inc.; Erik Miller of Sander Engineering Corp. ("SEC"); and Jessica Holoubek, Whitney Higgins and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

Director Myers offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Bradley then moved to approve all items on the consent agenda, with the exception of consent agenda no. 1. Director McClellan seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

MINUTES

The Board considered amending minutes from the May 16, 2017, special meeting. Following review and discussion, Director McClellan moved to approve the May 16, 2017, special meeting minutes, as amended. Director Bradley seconded the motion, which passed unanimously.

PUBLIC COMMENT

Ms. Howard and Mr. Faulkner commented regarding concerns regarding the proposed interactive fountain construction, including concerns regarding the proposed

location, public access, parking, noise, projected water volumes and run times and future maintenance. Following discussion, the Board concurred to request that Michael Murr formulate a response to address each concern.

#### ADDITIONAL BOOKKEEPING MATTERS

Ms. Lutz confirmed that the Joint Facilities draft budget was submitted to Harris County Municipal Utility District No. 364. Director Bradley discussed invoices for website hosting.

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McMullen presented an Assignment and Assumption of Agreement for Services of Tax Assessor and Collector (the "Assignment"). Following discussion and review, Director Bradley made a motion to approve the Assignment and direct that the Assignment be filed appropriately and retained in the District's official records. The motion was seconded by Director McClellan and carried by unanimous vote.

#### REPORT ON RECREATIONAL AND LANDSCAPE FACILITIES

The Board next discussed the status of design of a concrete sidewalk in the right of way along Barker Cypress from Destrehan to the Walgreen's Pharmacy. Director McClellan noted that he preferred that the sidewalk follow a winding course to match the connecting and existing sidewalk. Director Bradley noted that the Cole's Crossing Community Association, Inc. ("CCCAI") said they would be sending a letter of opposition to the proposed sidewalk and noted they were specifically concerned the sidewalk would "bring in the wrong flavor of people."

Mr. Murr reported that the sinkhole by the gazebo has been repaired.

Mr. Murr also discussed the proposed installation for new water fountains.

The Board next reviewed bids for construction of an interactive fountain north of The Park at Arbordale and for associated site landscaping. Following discussion, Director Bradley moved to award the contracts, as discussed. The motion failed for lack of a second and the Board concurred to place the bids on hold for 30 days and place the item on the special meeting agenda for July, 2017. A copy of the landscape management report is attached.

#### ADDITIONAL OPERATING MATTERS

There was no discussion for this agenda item.

## REVIEW AND AMEND RATE ORDER

The Board next discussed amending the District Rate Order to remove the provision for single family residential irrigation meters. Following review and discussion, upon a motion by Director McClellan and seconded by Director Bradley, the Board voted unanimously to amend the Rate Order, effective immediately and as discussed to remove options for residential irrigation water meters.

## HEARING ON TERMINATION OF WATER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

The Board then conducted a hearing on the termination of utility service to delinquent accounts. Mr. Bare reported that the persons on the termination list provided to the Board were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. Director Bradley moved that, since the customers on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with procedures set forth in the District's Rate Order. Director McClellan seconded the motion, which carried unanimously.

## ADDITIONAL ENGINEERING MATTERS

Mr. Miller reported that SEC is working on plant expansion issues associated with the plant expansion proposed by Harris County Municipal Utility District No. 364 ("364").

Mr. Miller next reported that the Coles Crossing Broadstone (the "Broadstone") apartment complex will be expanding and is requesting additional capacity through the existing customer meter to serve the additional units. Director McClellan requested that SEC provide additional information regarding the projected reduction to pumpage fees if the District builds a reclaimed water system.

Mr. Miller also updated the Board regarding the status of investigation of erosion at two outfalls on the District near the lap pool and south of the bridge and proposed repair of the commercial ditch.

## ATTORNEY REPORT

Ms. Holoubek updated the Board regarding proposed expansion of the water plant.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Holoubek distributed and reviewed a report prepared by ABHR regarding legislative matters pertaining to the 85<sup>th</sup> Regular Session of the Texas Legislature.

JULY 2017 REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in July, 2017: July 20, 2017, regular meeting and July 18, 2017, special meeting.

DISCUSS VACANCY

The Board discussed the recent death of Director Paul Bland and the resulting Board vacancy and concurred to authorize ABHR to update and file a District Registration form with the Texas Commission on Environmental Quality reflecting the Board vacancy.

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



*[Handwritten Signature]*  
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Asst. Secretary, Board of Directors

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