

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

February 15, 2018

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 15th day of February, 2018, 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
Angela Small	Assistant Vice President

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

Also present at the meeting were Sherri Greenwood of BKD, Inc.; Odette McMullen of Bob Leared Interests, Inc.; Alyson Baker of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Erik Miller of Sander Engineering Corp. ("SEC"); Jessica Carr, 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 Silverman then moved to approve all items on the consent agenda. Director Bradley seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

PUBLIC COMMENT

There was no public comment.

2018 DIRECTORS ELECTION

Ms. Carr updated the Board regarding the status of receipt of applications for candidacy.

ADDITIONAL BOOKKEEPING MATTERS

The Board discussed the Association of Water Board Directors ("AWBD") winter conference. Following discussion, Director Silverman moved to approve the reimbursement of eligible expenses to the directors who attended the winter conference and authorize any interested director to attend the AWBD summer conference. Director Bradley seconded the motion, which carried unanimously.

The Board reviewed the District's list of qualified broker/dealers and authorized depository institutions. Upon a motion by Director Silverman and a second by Director Bradley, the Board voted unanimously to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions.

ANNUAL REVIEW OF INVESTMENT POLICY

The Board then reviewed the District's Investment Policy, adopted February 16, 2012, to determine if any amendments were necessary. After discussion, upon a motion made by Director Bradley, seconded by Director Small, the Board voted 3 to 0 to adopt an Amended Investment Policy, with Director Silverman abstaining from voting.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

The Board considered adopting a Resolution Concerning Exemptions from Taxation ("Resolution"), which provides for the exemption from ad valorem taxation of \$20,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, but rejects a general homestead exemption as well as any exemption for travel trailers. Upon a motion made by Director Silverman and seconded by Director Small, the Board voted unanimously to adopt the Resolution as described.

ADDITIONAL OPERATING MATTERS

Mr. Bare presented a Payment Services Agreement between First Billing and the District in connection with processing water bill payments by District residents. Following review and discussion, Director Silverman moved to approve the Payment Services Agreement between First Billing and the District and direct that the Payment Services Agreement be filed appropriately and retained in the District's official records. The motion was seconded by Director Bradley and carried by unanimous vote.

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 Silverman 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 Small seconded the motion, which carried unanimously.

ADDITIONAL ENGINEERING MATTERS

Mr. Miller reviewed an engineering report from Sanders Engineering Corporation ("SEC"), a copy of which is attached.

The Board discussed a right of entry for construction of proposed sidewalks over property owned by the Cole's Crossing Community Association, Inc.

Discussion ensued regarding ongoing investigation of drainage in The Park at Arbordale and possible options to improve drainage on Twisting Ivy Lane.

ADDITIONAL PARKS MATTERS

There was no discussion for this agenda item.

ATTORNEY REPORT

Ms. Carr reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. Following review and discussion, Director Silverman moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Bradley seconded the motion, which passed unanimously.

The Board next reviewed the District's procedures for continuing disclosure compliance and determined no changes are required at this time.

MARCH 2018 REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in March, 2018: March 22, regular meeting and March 20, special meeting at 16314 Madewood Street and potential future community events.

AGREED UPON PROCEDURES REPORT

Ms. Greenwood discussed with the Board findings in her review of the joint wastewater plant account from 2006 to present. Following discussion, the Board concurred that no further review is necessary.

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



Secretary, Board of Directors

(SEAL)



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