

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

January 14, 2009

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 365 (the "District") met in special session, open to the public, on the 14th day of January, 2009, at the Information Center, 13050 Barker Cypress Road, Cypress, Texas, and the roll was called of the members of the Board:

Joe Myers	President
Megan Bradley	Vice President
Alan Silverman	Assistant Vice President
Matthew Lund	Secretary
Mike Vandewater	Assistant Secretary

and all of the above were present.

Also present at the meeting were Alan Beard, Vince D'Angelis, David Brunnert and Dale Trevino, directors of Harris County Municipal Utility District No. 364 ("No. 364"); Jon Polley of Johnson, Radcliffe, Petrov & Bobbitt PLLC; Chris Burke of Sander Engineering Corporation ("SEC"); Gary Struzik and Steve Stacey with Klotz & Associates, Inc. ("Klotz"); and Alia Vinson and Jane Miller of Allen Boone Humphries Robinson LLP.

JOINT FACILITIES OPERATIONS AND FINANCES

The Board discussed the status of the construction of the access road at the wastewater treatment plant. Mr. D'Angelis expressed concern regarding cracks in the newly poured concrete in the driveway. Discussion ensued regarding the size of the cracks and whether or not there was any water infiltration. Mr. Burke discussed the materials and compaction testing and said that the concrete was reinforced, that the cracks are radial only, and that the one year warranty will cover any significant defect or damage that may occur. The Board also discussed with No. 364 installing a concrete driveway to the chlorine storage facility. The Board directed Mr. Burke to obtain proposals for the installation.

Mr. Burke also discussed with the Board and No. 364 seepage at the wastewater treatment plant along the cold joints where the basins were constructed. He discussed a proposal from Epoxy Designs in the amount of \$3,634 to repair five areas with an epoxy injection.

Mr. D'Angelis also discussed with the Board dead tree branches along the wastewater treatment plant perimeter fence that need to be removed and installing a restroom facility for the operator's use at the wastewater treatment plant.

Mr. Burke discussed with the Board the results of a twenty-eight day influent sampling at the wastewater treatment plant. He said that the influent monitoring showed that the organic concentration of delivered waste is higher than expected in the wastewater treatment plant's design. Mr. Burke discussed with the Board capacity rules and requirements for reporting to the Texas Commission on Environmental Quality.

COLES CROSSING JOGGING TRAIL IMPROVEMENTS

Director Myers provided No. 364 an overview of the proposed Phase 3 trail plan for the District. Mr. D'Angelis provided the Board an overview of the next trail section to be constructed by No. 364. The Board and No. 364 generally discussed an additional recreational easement to include a loop at the trail head, fencing around the backslope interceptors, matching amenities on each respective District trail, sinking asphalt on the east side of the pedestrian bridge, the water fountain within Phase 2, and the installation of asphalt upon the student loop at Sampson Elementary.

JOINT EFFORTS TO REDUCE COLES CROSSING COMMUNITY IMPROVEMENT ASSOCIATION'S WATER USAGE

Mr. Brunnert said that he had alerted the Cole's Crossing Community Association ("HOA") that the irrigation zones have had high water usage. Director Myers said that the HOA is having problems with the irrigators and is in the process of rezoning. The Board and No. 364 concurred to review and possibly amend their respective rate orders if the high usage continues.

WATERLINE RELOCATION ALONG SPRING CYPRESS

The Board discussed the status of the widening of Spring Cypress Road by Harris County. Mr. Burke reported on the construction contract, the addition of a driveway and turnout, the removal of the vault in the Spring Cypress road easement, and the parts of the project that are reimbursable by Harris County and the estimated amounts to be reimbursed.

AUXILIARY POWER FOR JOINT FACILITIES

Mr. Burke discussed with the Board and No. 364 installation of natural gas or diesel generators at District facilities and adding fuel storage tanks at each facility. He discussed the costs of installation per location and the additional run time available

with each installed unit. Mr. Burke discussed options to optimize run time and maintain pressure during power outage events. The Board discussed with No. 364 different options proposed and the cost effectiveness of each option. The Board concurred with No. 364 on the need for a written policy on how the facilities should be operated during emergency/power outage events to maintain pressure and be cost effective. Mr. Burke stated that he and the operator could develop a written policy for the facilities. Director Myers discussed with No. 364 the District's application to the Federal Emergency Management Agency for grant funds for assistance with installation of auxiliary power.

MAINTENANCE OF STORMWATER CHANNEL FACILITIES, INCLUDING SILT FENCING

Mr. Burke discussed mowing in the channels with the Board and No. 364. The Board also discussed with No. 364 siltation upstream in the northern channel and in the detention area and discussed the benefit and cost of repair. Mr. Burke said that he is working on a de-siltation plan and will have a proposal by the next joint meeting.

PROPOSAL FOR GIS HOSTING

Mr. Struzik discussed with the Board and No. 364 updating GIS information periodically. Klotz can provide this service and would charge for its services on an hourly basis.

There being no further business to come before the Board, Director Silverman moved to adjourn the meeting. The motion was seconded by Director Lund and passed unanimously.

(SEAL)




Secretary, Board of Directors