

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

October 8, 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 8th day of October, 2009, at 16314 Madewood Street, Cypress, Texas 77429, inside 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	Assistant Vice President
Matthew Lund	Secretary
Michael Vandewater	Assistant Secretary

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

Also present at the meeting were Michael Murr of Murr Incorporated; Chris Burke of Sander Engineering Corporation; Paul Bland with the Cole's Crossing Homeowner's Association ("HOA"); and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Mr. Bland asked if the water conservation signs could be taken down throughout the District. Mr. Burke explained that the signs should remain posted until the remote well, which is currently offline, is returned to service in approximately one week. Mr. Bland also reported that the HOA is considering employment of a general maintenance person and asked if the District would be interested in participating in the cost in exchange for performance of some District maintenance items. Director Lund said that possibly small jobs could be identified, but not larger jobs.

DISCUSSION REGARDING SPLASH PAD

Mr. Bland said that a formal, written response from the HOA on the construction of a splash pad on HOA property is forthcoming.

TRAIL CONTINUATION, PHASE 3, INCLUDE REVIEW OF BIDS AND AWARD OF CONTRACT

Mr. Murr discussed the bids for the construction of the Phase 3 of the District trail systems previously presented to the Board and recommended that the Board award the contract to the low bidder, Millis Development and Construction, Inc.

The Board discussed the proposed green parking area, fencing and resident access, and trail base and application alternatives. The Board also discussed cover for outdoor seating for spectators near the tennis courts and different types of possible arbor building materials, as well as durability of each type.

The Board noted that Don Richards on behalf of the HOA asked about using the excavated material from the trail construction project to build mounds along Cole's Crossing Drive North. Mr. Bland said that the HOA has not discussed this proposition and that he would discuss use of the fill with the HOA Board on October 26, 2009. Mr. Burke said that 1,300 cubic yards will be available and that the District will need confirmation from the HOA if it wants the dirt before excavation begins. Mr. Burke explained that the District is only offering stockpiled dirt and that the HOA would be responsible for spreading the fill. Director Myers said that the District will want to make sure that the proposed use of the fill would not create any drainage problems.

After discussion, based on the engineer's and Mr. Murr's recommendation, and because it would result in the best and most economical completion of the project, Director Bradley moved to approve the award of the contract to Millis Development and Construction, Inc., with alternates 1, 5, 6, 7, 8 and 9. Director Vandewater seconded the motion which passed unanimously.

Director Myers discussed with the Board a proposal from Silversand Services to thin the vegetation along the nature trail. Upon a motion by Director Lund and a second by Director Bradley, the Board voted unanimously to approve the Silversand Services proposal to thin vegetation along the nature trail. Upon inquiry from Director Myers, Mr. Murr said that he would get a price to remove some of the trees at the wastewater treatment plant.

COORDINATION WITH HARRIS COUNTY PRECINCT 3 FOR LANDSCAPING, SIDEWALK AND TRAIL PROJECT

Director Myers said that no response has been received.

DISTRICT RECYCLING PROJECT

Director Bradley said that she did not anticipate that the HOA was going to offer recycling and, if the District wanted recycling, the Board would need to continue service through the District. She said that the HOA representatives have said that they cannot get adequate pricing for the recycling service. The Board then concurred to consider inclusion of recycling charges in the District's rate order in the spring.

WATER REUSE

Mr. Burke said that Louis Herrin with the Texas Commission on Environmental Quality ("TCEQ") said that the District would probably not need a permit amendment for reuse. Director Myers indicated interest in having direction for this project by the first of the year. Mr. Burke said that Harris County Municipal Utility District No.364 ("No. 364") needs to be aware that this proposed reuse project would not make additional water capacity, if any, available for at least 18 months and that if No. 364 annexes any area for service, No. 364 would still need to build additional water supply facilities.

Upon inquiry by Director Lund, Mr. Burke reported that No. 364 reduced its requirements in the water supply capacity analysis, but noted that the reduction did not change the overall allocation significantly. Mr. Burke said the reduction did not alter the need for a hydropneumatic tank.

DISTRICT/COMMUNITY EMERGENCY PREPAREDNESS

Mr. Bland said that the HOA wants to prepare an emergency preparedness plan and hopes to coordinate its plan with the District's. Mr. Bland continued that he has asked for an appropriation of \$5,000 in the HOA budget to prepare a plan and has proposed an emergency generator for the community center.

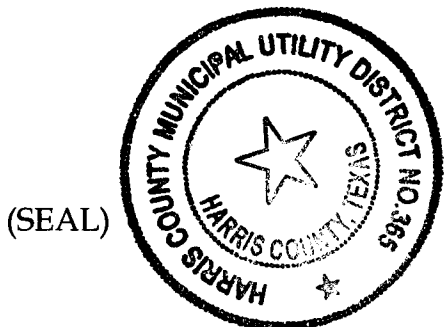
Director Myers then reviewed possible locations for stockpiling storm debris, such as the proposed trail parking area.

COMMUNITY MESSAGE BOARD AND/OR MESSAGING SYSTEM

No action was taken.

Mr. Burke said that Vince DeAnglis of No. 364 is not satisfied with the areas cleaned as part of the joint ditch repair project. Mr. Burke said that the contractor has agreed to clean further upstream in response to Mr. DeAnglis' concerns.

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




Secretary, Board of Directors