

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

February 10, 2011

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 10th day of February, 2011, 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, except Directors Myers and Silverman, were present, thus constituting a quorum.

Also present at the meeting were Chris Burke of Sander Engineering Corporation ("SEC"); Brian Bare of Southwest Water Company ("SWWC"); and Alia Vinson and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There was no public comment.

EMERGENCY MASS MESSAGING SYSTEM AGREEMENT AND PROPOSAL

Ms. Vinson discussed invoices received from Tech Radium and said that ABHR and the District bookkeeper will continue to investigate the charges, once supporting information requested from Tech Radium is received, and report back to the Board to confirm amounts owed to Tech Radium. The Board then discussed a contract received from Classic Messaging LLC. Upon a motion by Director Bradley and a second by Director Vandewater, the Board voted unanimously to approve the contract, including the "Opt-in Program," with Classic Messaging, LLC, with an effective date of March 1, 2011.

SECURITY REPORT

There was no discussion on this agenda item.

ENGINEER'S REPORT ON CONSTRUCTION PROJECTS

The Board reviewed a written engineer's report submitted by SEC on the status of various projects in the District as follows in these minutes. A copy of the engineer's report is attached.

Mr. Burke reported that additional documentation was submitted to Harris County to support the District's request for reimbursement for relocation of a waterline along Spring Cypress Road.

Mr. Burke next reported that Dannenbaum Engineering continues on behalf of Harris County to evaluate detention related to the expansion of Jarvis Road and that SEC anticipates that the evaluation will be complete next week. He stated that Harris County is working with Coles Crossing Community Association, Inc. ("CCCAI"), to obtain the necessary easements for a sidewalk along Jarvis Road.

Mr. Burke then reported regarding the status of super-chlorinating well no. 1 and mechanical cleaning, acid treatment, and chlorine treatment of well no. 2. Mr. Burke said that SEC plans to inspect ground storage tank no. 1 when the pump lowering at well no. 2 is complete. He said that SEC and SWWC continue to monitor well no. 3 for iron-fixing bacteria. Mr. Burke reported that SEC continues to work on the elevated storage tank waiver request to be submitted to the TCEQ.

Mr. Burke reported regarding SEC's recent discussions with the North Harris County Regional Water Authority, Harris County Municipal Utility District No. 364 and Harris County Water Control District No. 113 regarding the possibility of early surface water delivery.

Mr. Burke next reported that SEC submitted a waiver request to the Texas Commission on Environmental Quality ("TCEQ"), in response to a notice of violation received from the TCEQ for exceeding 75% of the permitted capacity for average daily flow for three consecutive months at the wastewater treatment plant.

Mr. Burke said that SEC is evaluating the amount of reimbursement due Beazer Homes for construction in The Park at Arbordale.

Mr. Burke updated the Board regarding easements needed from CCCAI to install the sanitary sewer line to serve Entouch.

Mr. Burke reported a leaking backflow assembly on an 8" water meter vault in front of Cheddars Casual Café. Mr. Bare and Mr. Burke said that the installed meter is no longer needed and recommended removing the meter at an estimated cost of \$8,000. Upon a motion by Director Lund, the Board voted unanimously to remove the meter,

based upon the recommendation of the District operator and engineer. Director Vandewater seconded the motion which passed unanimously.

Upon a motion by Director Lund and a second by Director Vandewater, the Board voted unanimously to approve the engineer's report.

WATER REUSE PROJECT

Mr. Burke said that SEC continues to work on a water reuse feasibility study.

RECREATIONAL AND LANDSCAPE FACILITIES

Director Bradley reported regarding a new splash pad designer/contractor contact.

DISTRICT EMERGENCY PREPAREDNESS

There was no discussion on this agenda item.

POSSIBLE CONSOLIDATION OF DISTRICT AND HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364

Ms. Vinson reported regarding the status of the proposed opinion request to the Attorney General's Office regarding the constitutionality of a consolidated district levying different debt service tax rates within the boundaries of the consolidated district.

RECYCLING SERVICES REPORT

Director Bradley reported regarding the most recent house and tonnage counts for the District's recycling program.

RESIDENT REQUEST REGARDING WATER BILL

The Board also reviewed water usage for 13107 Far Point Manor Drive and a request from David Evans at that address for relief for one month of unusually high water usage. The Board considered the customer's historical usage and usage after the month in question provided by Mr. Bare, which indicated that the customer's water usage during the billing cycle was uncharacteristically and inexplicably high. Director Vandewater moved to re-bill the resident for the billing cycle in question at the second tier rate with a maximum rate of \$3.560 per 1,000 gallons, based upon the customer's water usage before and after the event. Director Lund seconded the motion which passed unanimously.

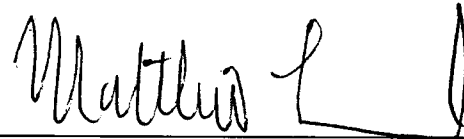
GRANT FUNDING FOR CONNECTING TRAIL SYSTEM

There was no discussion on this agenda item.

DISTRICT WEBSITE

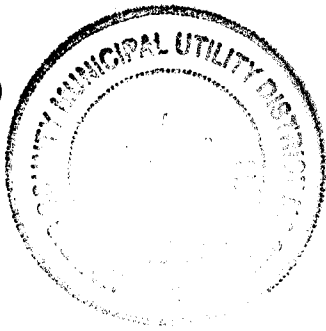
Director Bradley said that she is reviewing the proposal from Association Voice and will report at the District's regular Board meeting.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

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