

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

June 8, 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 8th day of June, 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 were present, with the exception of Director Lund, thus constituting a quorum.

Also present at the meeting were Chris Burke of Sander Engineering Corporation ("SEC"); Michael Murr of Murr, Inc.; and Alia Vinson and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There was no public comment.

AUDITOR FOR SPRING-CYPRESS WATERLINE RELOCATION COSTS

Ms. Vinson reported that the District received reimbursement from Harris County for 100% of the eligible costs incurred for the relocation of the joint waterline during the Spring-Cypress Road improvements. The Board considered a proposal from BKD, Inc. in the amount of \$5,000 to audit the costs and determine how the District and Harris County Municipal Utility District No. 364 ("No. 364") initially shared the costs of the relocation in order to determine the amounts due back to each district. Upon a motion by Director Bradley and a second by Director Vandewater, the Board voted unanimously to engage BKD, Inc. to audit the costs and determine how the District and No. 364 initially shared the costs of the relocation in order to determine the amounts due back to each district.

SECURITY REPORT

The Board discussed community response to the District's security efforts and discussed patrol issues. Director Bradley said that the volunteer fire department intended to attend to discuss trail safety and call response along the trail system.

EMERGENCY MASS MESSAGING SYSTEM AND DISTRICT EMERGENCY PREPAREDNESS

Director Bradley said that she provided the opt-in message to SWWC to include as an alternate message on the utility bills. Ms. Vinson said that Classic Messaging requested an updated customer list and will be sending an additional notice to customers regarding the opt-in program. Ms. Vinson also reported that Tech Radium has not responded to correspondence regarding use of the District's data.

ENGINEER'S REPORT ON CONSTRUCTION PROJECTS

Mr. Burke provided an analysis of well run times, including historical run times for previous years, and said that the District has not yet reached the criteria necessary to declare stage 1 drought.

Mr. Burke also reported that the final pump test on water well no. 2 showed that the well, as lowered, is producing an additional 100 gallons per minute. He then discussed reduced production at water well no. 3.

Mr. Burke next reported that he has provided written comments to the drainage analysis prepared by Dannenbaum Engineering on behalf of Harris County with regard to the widening of Jarvis Road.

WATER REUSE PROJECT

The Board discussed the proposed water reuse project, possible participants in the reuse system, a preliminary debt service analysis for the project provided the District's financial advisor, sources of funds to retire the proposed debt, resizing the proposed project, and permitting associated with the project.

REPORT ON RECREATIONAL AND LANDSCAPE FACILITATE

Mr. Murr and the Board discussed possible drought contingency restrictions as related to irrigation of summer plantings and the Board requested that Mr. Murr inform the Cole's Crossing Community Association, Inc. ("CCCAI") of the possibility of future imposition of drought restrictions.

Mr. Murr said that he would prepare a proposal to install a concrete ramp on the north side of the detention pond next to nature trail.

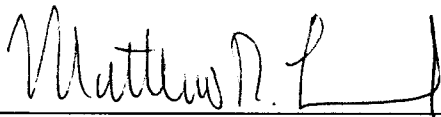
POSSIBLE CONSOLIDATION OF DISTRICT AND HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364

There was no discussion on this agenda item.

RECYCLING SERVICES

Ms. Vinson updated the Board regarding negotiation of an amended agreement with Residential Recycling of Texas, specifically regarding the use of larger bins.

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


Secretary, Board of Directors

