

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

April 10, 2012

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 April, 2012, 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 Vandewater, thus constituting a quorum.

Also present at the meeting were Chris Burke of Sanders Engineering Corp; Deaver Bradley, District resident; Michael Murr of Murr Incorporated; Alia Vinson and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

There was no public comment.

SECURITY REPORT

Director Lund discussed security issues within Coles Crossing.

EMERGENCY MASS MESSAGING SYSTEM AND DISTRICT EMERGENCY PREPAREDNESS

There was no discussion on this agenda item.

ENGINEERING MATTERS

Mr. Burke reviewed proposals for replacing the tank bottom of ground storage tank no. 2, as well as additional repair options, including welded patches and possible application of an elastomer coating, and possible causes of corrosion, including the presence of bacteria. Mr. Burke said that the water was tested for bacteria that could cause corrosion and that the results did not indicate the presence of bacteria. The Board then discussed the method, expense, and expected life of each proposed repair option.

The Board concurred that it preferred the option of welding patches on the floor, and requested additional information about an elastomer coating. The Board deferred taking action.

REPORT ON RECREATIONAL AND LANDSCAPE FACILITIES

Mr. Murr reported on the status of the District's application for trail funding through a Texas Parks and Wildlife grant program.

Mr. Murr reported that the trail fountain repairs are complete and that concrete pads for the dog bowls will be added. The Board concurred that the check to Association Repairs can be released since the fountain repairs are complete.

Mr. Murr reported on the status of obtaining estimates to repair birdhouses along the trail, splitting beams along the east side of the north trail at the gathering area, cracks in the trail, and proposed installation of additional trees on the north side of the trail.

Mr. Murr discussed with the Board maintenance of the nature trail, overall trail maintenance, and possibly putting all the District's landscape and trail maintenance out for bid.

RECYCLING SERVICES

Director Bradley reported on recycling services within the District.

POSSIBLE CONSOLIDATION OF DISTRICT AND HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364 ("NO. 364"), INCLUDING CONSOLIDATION COMMITTEE REPORT

Ms. Vinson reported that the consolidation committee meeting of March 19, 2012, was deferred until April, 2012, and discussed the next phase of due diligence document production to No. 364.

CONVENE IN EXECUTIVE SESSION PURSUANT TO THE CHAPTER 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

At 8:16 p.m. Director Myers announced that the Board would convene in executive session to conduct a private consultation with its attorney to discuss pending or contemplated litigation, or a settlement offer.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION
RESULTING FROM EXECUTIVE SESSION

Director Myers announced that the Board would reconvene in open session and that the date and time at the end of executive session was April 10, 2012 at 8:17 p.m. No action was taken as a result of discussion in executive session.

REQUEST FOR PROPOSAL FOR OPERATING SERVICES

The Board considered a draft Request for Proposal for Operating Services. Following discussion, the Board concurred that Directors Myers and Silverman will provide comment on the draft to ABHR.

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



Secretary, Board of Directors

(SEAL)

