

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

November 20, 2014

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 365 (the "District") met in regular session, open to the public, on the 20th day of November, 2014, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside 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	Secretary
Jeff McClellan	Assistant Secretary
Paul Bland	Assistant Vice President

and all of the above were present.

Also present at the meeting were Kristin Scott of Bob Leared Interests, Inc.; Shirley McLennan of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Steve Matthys and Clayton Clark, District residents; Chris Burke of Sander Engineering Corp. ("SEC"); Teshia Judkins, Alia Vinson, Chelsea Wappler and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

Director Myers offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Silverman then moved to approve all items on the consent agenda. Director Bradley seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

ADDITIONAL BOOKKEEPING MATTERS

Ms. McLennan reported invoices sent to and paid by Barker Crossing CLA Partners, Ltd. and the addition of handwritten check no. 3676 in the amount of \$3,070.20 to the Texas Commission on Environmental Quality ("TCEQ") for the annual water system fee to the November bookkeeping report.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Scott discussed updating the District's aerial photograph and a refunded payment for delinquent taxes for parcels deeded to the District in 2005. The board concurred that it was not necessary to update the District's aerial photograph.

ADDITIONAL OPERATING MATTERS

Mr. Bare updated the Board exercising of valves within the District. Discussion ensued regarding possibly amending the process for approval of irrigation meters in the District Rate Order.

TERMINATION OF WATER SERVICE TO DELINQUENT CUSTOMERS

The Board then conducted a hearing on the termination of utility service to delinquent accounts. Mr. Bare reported that the persons on the termination list were mailed written notice prior to this meeting in accordance with the Rate Order, notifying them of the opportunity to appear before the Board of Directors to explain, contest, or correct the utility service bill and to show reason why utility service should not be terminated for reason of nonpayment. Director Silverman moved that, since the customers on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with procedures set forth in the District's Rate Order. Director McClellan seconded the motion, which carried unanimously. A copy of the termination list is attached.

RECREATIONAL AND LANDSCAPE FACILITIES CONTINUED

Mr. Murr reviewed with the Board a progress report, a copy of which is attached to these minutes.

Mr. Murr discussed the status of sign installation along trails and said the sign order received was incorrect and will be corrected at the supplier's cost and then discounted further to the District.

Mr. Murr discussed previous complaints regarding condition of the recreational fields and reviewed proposed plans for a dog park at the edge of the detention. Following discussion regarding irrigation of the recreational fields, Director Silverman moved to install signage at the irrigation controllers notifying the public that the controllers belong to the District. Director McClellan seconded the motion, which passed unanimously.

Mr. Murr discussed the sample tree pruning on the South side of the detention pond between the gate on Jarvis Road to Barker Cypress Road.

Mr. Murr also reported that additional trees were identified for removal when taking down trees behind a residence on Allemande Lane. Following discussion, Director Silverman moved to authorize an additional expense of \$463 to fall the additional trees. Director Bradley seconded the motion, which passed unanimously.

The Board also discussed trail water fountain repairs and winterizing water fountains.

ADDITIONAL ENGINEERING MATTERS

Mr. Clark discussed plans to develop a commercial car wash and said the estimated daily use is about 20 gallons of water per car.

Mr. Burke and Mr. Bare updated the Board on coating and repairs at water plant no. 1 and said work is completed and site cleanup is underway.

Mr. Burke also discussed SEC's water and sanitary sewer analyses in response to inquiry from Harris County Municipal Utility District No. 364 ("No. 364") regarding available capacity in the joint water facilities and said he is still reviewing the analyses with No. 364's engineer.

Mr. Burke updated the Board on relocation of a waterline to accommodate a proposed daycare along U.S. Highway 290 frontage, presented three bids and recommended the Board award the contract to the lowest qualified bidder, Schultz Construction Co., in the amount of \$61,850, conditioned upon receipt of funds from the developer for the construction costs. After review and discussion, and because it would result in the best and most economical completion of the project, Director Bradley moved to (1) approve the award of the contract to Schultz Construction Co., subject to review of payment and performance bonds and verification of insurance and receipt of developer funding; (2) approve a letter of assurance to the developer regarding conditional approval of the water line easement abandonment; and (3) approve a partial abandonment of a previously existing waterline, subject to conveyance of a water line easement to serve the property. Director McClellan seconded the motion which passed unanimously.

ATTORNEY REPORT

The Board next reviewed an arbitrage rebate report from Omni Cap for the District's Series 2005 Bonds which were retired at the last refunding, which report stated that the District does not owe the Internal Revenue Service any arbitrage rebate payments.

Ms. Vinson stated that the District is required to file an Annual Report in accordance with the District's Continuing Disclosure of Information Agreement and as required by SEC Rule 15c2-12. Upon a motion made by Director McClellan and seconded by Director Bland, the Board voted unanimously to authorize the consultants to prepare the Annual Report.

SECURITY REPORT

There was no discussion for this agenda item.

RECYCLING SERVICES

There was no discussion for this agenda item.

PUBLIC COMMUNICATIONS

There was no discussion for this agenda item.

DECEMBER REGULAR AND SPECIAL

The Board discussed agenda items for the December regular meeting.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

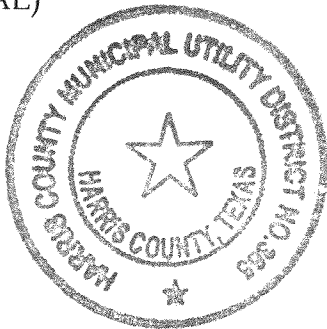
The Board determined it was not necessary to convene in executive session.

There being no additional business to consider, the meeting was adjourned.



Secretary, Board of Directors

(SEAL)



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