

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

June 11, 2015

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 11th day of June, 2015, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, 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, thus constituting a quorum.

Also present at the meeting were Patty Rodriguez of Bob Leared Interests, Inc.; Chuck Yapple and Chris Hall of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Chris Burke of Sander Engineering Corp. ("SEC"); and Katie Carner, Jane Miller and Chelsea Wappler 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 McClellan seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

PUBLIC COMMENT

There was no public comment.

Ms. Miller provided the Board with copies of emails received on the District website, and Mr. Bare confirmed that all resident inquiries/issues have been answered and addressed.

ADDITIONAL BOOKKEEPING MATTERS

Mr. Yapple reviewed a draft joint facilities budget for the fiscal year ending August 31, 2016. Following review and discussion, Director Silverman moved to authorize the District bookkeeper to send the draft joint facilities budget for the fiscal

year ending August 31, 2016 to Harris County Municipal Utility District No. 364 ("No. 364") for review. Director Bradley seconded the motion, which passed unanimously.

Discussion ensued regarding cost sharing with No. 364 for mowing of drainage channels. Director Bland requested that Mr. Bare verify all maintenance items are included in the draft joint facilities budget.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez reviewed 2015 preliminary taxable assessed value. She then reviewed delinquent tax accounts and recommended the Board authorize the District's delinquent tax attorney to proceed with collection of delinquent taxes, including additional penalties after July 1.

Following review and discussion, Director Silverman moved to authorize the District's delinquent tax attorney to proceed with collection of delinquent taxes. Director Bland seconded the motion, which passed unanimously.

RENEWAL OF INSURANCE

The Board discussed expiration of District insurance policies and requested that ABHR request a proposal from the District's current provider for review at the July 2015 regular meeting.

ADDITIONAL OPERATING MATTERS

Mr. Bare reported that the final inspection of Children's Learning Adventure will be completed today.

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 Bradley seconded the motion, which carried unanimously. A copy of the termination list is attached.

INTERLOCAL AGREEMENT WITH SUBSIDENCE DISTRICT FOR WATERWISE PROGRAM

The Board deferred the approval of the Interlocal Agreement with Harris-Galveston Subsidence District for the Water Wise Program until the July 2015 regular meeting.

ADDITIONAL ENGINEERING MATTERS

Mr. Burke updated the Board regarding repair of leaks at the wastewater treatment plant and recommended the Board award the contract to the lowest qualified bidder, Epoxy Design Systems, in the amount of \$6,140.00. After review and discussion, and because it would result in the best and most economical completion of the project, Director Silverman moved to approve the award of the contract to Epoxy Design Systems, subject to verification of insurance and consultant review of the contract. Director McClellan seconded the motion, which passed unanimously.

ATTORNEY REPORT

Ms. Carner discussed correspondence received from Frenel & Son, Texas, LLC, regarding the private sanitary sewer line to be conveyed to the District, requesting that a portion of the private sanitary sewer line be conveyed to the District. Following discussion, the Board concurred to decline the request.

Ms. Carner reported on the status of an interim water capacity lease agreement (the "Agreement") between the District and Harris County Municipal Utility District No. 364 ("No. 364"). Discussion ensued regarding terms and conditions of the Agreement.

The Board concurred to place an item on the July 2015 special meeting to consider amending the current Rate Order regarding terms and rates for irrigation matters.

JULY REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in July: July 16, 2015 regular meeting and July 14, 2015 special meeting.

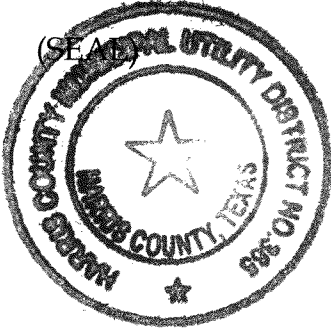
EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

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



LIST OF ATTACHMENTS TO MINUTES

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