

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

October 15, 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 15th day of October, 2015, 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, thus constituting a quorum.

Also present at the meeting were Patty Rodriguez of Bob Leared Interests, Inc.; Shirley McLennan of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Erik Miller of Sander Engineering Corp. ("SEC"); Sergeant Nagel of Harris County Sheriff's Department; and Katie Carner 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 Bradley then moved to approve all items on the consent agenda. Director Silverman 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.

ADDITIONAL BOOKKEEPING MATTERS

Ms. McLennan discussed amending the operating budget to revise maintenance tax revenue and include a revenue line item for water supply lease payments from Harris County Municipal Utility District No. 364 ("No. 364").

PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ORDER LEVYING TAXES,
AND AMENDMENT TO INFORMATION FORM

Director Myers opened the public hearing on the District's proposed tax levy. Ms. Rodriguez confirmed that notice of the proposed levy had been published. There being no public comment, Director Myers then closed the public hearing, and the Board considered an Order Levying Taxes, reflecting a total 2015 tax rate of \$0.485 per \$100 valuation, consisting of \$0.30 for debt service and \$0.185 for operations and maintenance. Following discussion, upon a motion made by Director Bradley and seconded by Director Silverman, the Board unanimously voted to adopt the Order Levying Taxes as presented.

Ms. Carner then reviewed an Amendment to Information Form reflecting the District's 2015 tax rate. After discussion, Director Bradley moved to approve the Amendment to Information Form and direct that it be filed with the Texas Commission on Environmental Quality ("TCEQ") and in the Harris County Deed Records. Director Silverman seconded the motion, which passed by unanimous vote.

ADDITIONAL OPERATING MATTERS

Mr. Bare presented an appeal from a District customer at 16630 Darby House Street, requesting a leak adjustment due to a leaking hot water heater that has since been replaced. Following review of information provided by the customer and account history and usage information provided by the District operator, Director Silverman moved to credit half the District's water charges in excess of the customer's normal usage, pursuant to the District's Leak Adjustment Policy. Director McClellan seconded the motion, which passed unanimously.

TERMINATION OF WATER SERVICE TO DELINQUENT CUSTOMERS

The Board 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 (with the exception of 16630 Darby House Street which submitted correspondence and receive a leak adjustment), utility service should be terminated in accordance with procedures set forth in the District's Rate Order, with the exception of 16630 Darby House Street. Director Bland seconded the motion, which carried unanimously. A copy of the termination list is attached.

ADDITIONAL ENGINEERING MATTERS

Mr. Miller reported well volumes, pumpage and run times.

Mr. Miller presented a proposal from Corrpro for quarterly maintenance of the cathodic protection system in water well no. 2. Upon a motion by Director Bradley and a second by Director Bland, the Board voted unanimously to approve the proposal, as revised.

Mr. Miller and Ms. Carner discussed meetings with No. 364's attorney and engineer regarding No. 364's proposed expansion of the District's joint water and wastewater facilities. Following review and discussion, Director Silverman moved to authorize ABHR to notify No. 364 of the District's intent to participate in expansion of the wastewater treatment plant to return the plant to the original permitted capacity of 0.9 MGD and the District's decision not to participate in an expansion of the joint water facilities. Director Bradley seconded the motion, which passed unanimously. The Board also requested that ABHR notify No. 364 of the Board's interest in participating in a joint reclaimed water system.

Mr. Miller also discussed and recommended that the District's operator conduct influent sampling for at least 6 months for an estimated \$600 to \$1,200 per month. Following review and discussion, Director Bradley moved to approve the recommended sampling schedule for an amount not to exceed \$1,200 per month for 6 months. The motion was seconded by Director Bland and passed unanimously.

ATTORNEY REPORT

There was no additional discussion under this agenda item.

RENEWAL OF PATROL CONTRACT FOR 2016

Sergeant Nagel requested an updated map of the District be attached to the renewed patrol contract for 2016.

NOVEMBER REGULAR AND SPECIAL AGENDAS

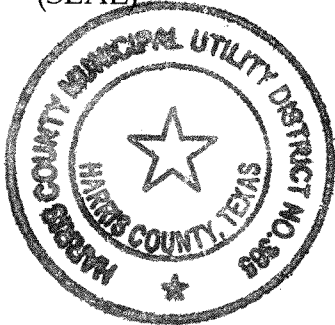
The Board discussed meeting on the following dates in November: November 19, 2015 regular meeting and November 17, 2015 special meeting.

There being no further business brought before the Board, and based on a motion made by Director Bland and seconded by Director Bradley, the Board voted unanimously to adjourn the meeting.



Secretary, Board of Directors

(SEAL)



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