

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

June 16, 2016

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 16th day of June, 2016, 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, except Directors Bland and McClellan, thus constituting a quorum.

Also present at the meeting were Patty Rodriguez of Bob Leared Interests, Inc.; Mary Lutz of McLennan & Associates; Brian Bare of Si Environmental, LLC ("SI"); Erik Miller of Sander Engineering Corp. ("SEC"); and Jessica Holoubek, Whitney Ables and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

Director Bradley 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. Lutz requested that the Board defer review of the draft joint facilities budget for the fiscal year ending August 31, 2017 until the July regular Board meeting.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez reviewed preliminary values for 2016 and delinquent tax accounts for 2015 and recommended the Board authorize the District's delinquent tax attorney to proceed with collection of delinquent 2015 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 Bradley seconded the motion, which passed unanimously.

RENEWAL OF INSURANCE

The Board discussed expiration of District insurance policies. Following discussion, Director Silverman moved to request that ABHR request a proposals from other providers only if the current provider's premium increase is more than 10%. Director Bradley seconded the motion, which passed unanimously.

ADDITIONAL OPERATING MATTERS

Discussed ensued regarding repairs at well no. 2 and Mr. Bare said the well would be back online within the next week.

HEARING ON TERMINATION OF WATER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

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.

AMEND DISTRICT RATE ORDER

The Board concurred to defer discussion until the July special Board meeting.

INTERLOCAL AGREEMENT WITH HARRIS-GALVESTON SUBSIDENCE DISTRICT FOR WATER WISE PARTICIPATION

Ms. Miller reported that the participation cost for the 2016-2017 school year will remain the same and said participation agreements will be distributed in in July. Upon a motion by Director Bradley and a second by Director Silverman, the Board voted unanimously to request a participation agreement. Discussion ensued regarding the District's Water Smart application status.

ADDITIONAL ENGINEERING MATTERS

Discussion ensued regarding options for disposal of soil/silt and a pending proposal for regrade of the commercial ditch. The Board concurred to move forward and authorized Mr. Miller to solicit bids for the work, as discussed.

Mr. Miller next updated the Board regarding pending survey of the proposed dog park area, a maintenance ramp area and the entire detention pond.

RECREATIONAL AND LANDSCAPE FACILITIES

The Board reviewed a Landscaping Management Report from Murr, Inc. and reviewed a proposal from Silversand Services in the amount of \$770 to replace hawthorns and dwarf bottlebrush plants. Following discussion, upon a motion by Director Bradley and a second by Director Silverman, the Board voted unanimously to approve the proposal from Silversand Services.

ATTORNEY REPORT

There was no additional discussion for this agenda item.

Ms. Holoubek discussed amending the District's Services Agreements with Association Repairs and Silversand Services and the Board concurred to place an item on the July regular agenda to amend the services agreements discussed.

JULY 2016 REGULAR AND SPECIAL AGENDAS

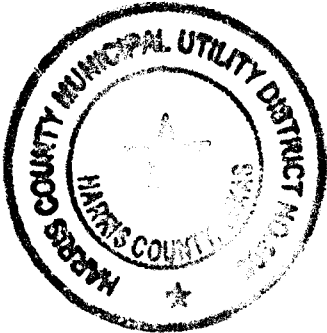
The Board discussed meeting on the following dates in July, 2016: July 19, 2016 special meeting and July 21, 2016 regular meeting.

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



Secretary, Board of Directors

(SEAL)



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