

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

October 9, 2008

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 9th day of October, 2008, at the Information Center, 13050 Barker Cypress Road, Cypress, Texas, 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
Mike Vandewater	Assistant Secretary

and all of the above were present, except Director Myers, thus constituting a quorum.

Also present at the meeting were Alan Beard, Vince D'Angelis, David Brunnert, Dale Trevino and Connie Cole, directors of Harris County Municipal Utility District No. 364 ("No. 364"); Brooke Dold of Johnson, Radcliffe, Petrov & Bobbitt PLLC; Don Richards of the Cole's Crossing Homeowners' Association ("HOA"); Chris Burke of Sander Engineering Corporation ("SEC"); residents Lanie Evans, Scott Williams, Katie Hoy, Katy Bland and Shannon Hascall; Alan Black, Shulamith Barbe', Debra Lingo, Nicole McCarthy and Brigitte Rothenbucher of Go Green Cole's Crossing; and Susan Edwards and Jane Miller of Allen Boone Humphries Robinson LLP.

JOINT FACILITIES OPERATIONS AND FINANCES

The Board and Mr. Burke discussed with No. 364 the progress of construction of the access road at the wastewater treatment plant. The Board also discussed with No. 364 the District and joint drainage facilities that are being inspected for repair items and the status of the water plant capacity analysis by each District. No Board action was taken on this agenda item.

COLES CROSSING JOGGING TRAIL IMPROVEMENTS INCLUDING RECREATIONAL EASEMENT TO NO. 364

Director Bradley provided an overview to No. 364 of the revisions to the easement proposed by the District. The Board also discussed with No. 364 an additional easement needed at the trail head. Ms. Edwards said that the District will need to approve the additional easement area before the District can accept the easement. Mr. D'Anglis said that No. 364 already had proposals for trail improvements. Director Silverman discussed the District's plans for future trail

improvements. Mr. Murr said that the HOA wanted to identify the District projects and incorporate them into the master plan. Mr. Richards said that the HOA is planning a trail around Cole's Lake, but said that there is no funding date at present. The Boards also discussed general maintenance issues relating to the existing trail system.

WATERLINE RELOCATION ALONG SPRING CYPRESS

Mr. Burke reported that he had received revised drawings from Jones & Carter and said that the drawings have been approved by Harris County. Mr. Burke said that bids will be opened on October 30, 2008. Ms. Edwards said that ABHR was reviewing the draft reimbursement agreement with Harris County and the amounts to be reimbursed. Mr. Burke confirmed that the realignment does include minor modifications to water plant number 1. Mr. Burke also said that there are issues with the SCADA system at the water plant that he is addressing. No Board action was taken on this agenda item.

PROPOSAL FOR GIS HOSTING

The Board discussed with No. 364 options for hosting and/or updating GIS information currently owned by each District. Mr. D'Anglis discussed a presentation for hosting received by No. 364 from GIS Solutions. Mr. D'Anglis said that No. 364 felt that the District operator was not using the GIS information and that it would be in the best interest of No. 364 to discontinue hosting and/or updating the information. Mr. D'Anglis said that he would contact GIS Solutions along with Director Lund to schedule a meeting and get a proposal for updating the information without continuing live hosting. No Board action was taken on this agenda item.

AUXILIARY POWER FOR JOINT FACILITIES

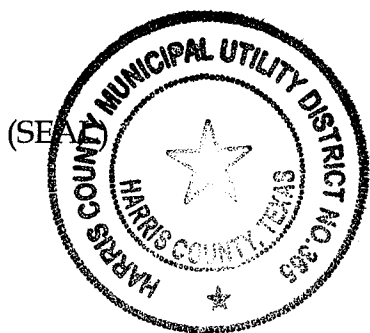
Mr. Burke discussed with the Board the performance of auxiliary power systems during and after Hurricane Ike. Director Bradley discussed with No. 364 the District's interest in installing natural gas generators at the joint facilities. Mr. Burke discussed with the Board and No. 364 SWWC's access to diesel and how the fuel tanks for facilities were serviced following the storm. Mr. Burke added that he is also looking at adding a generator to lift station number 2. No Board action was taken on this agenda item.

RECYCLING

Director Bradley reviewed two recycling program options, curbside pickup and central dropoff. She said that the bins for curbside pickup cost \$7.00 each and would be bought back if the program were discontinued. Director Bradley also discussed service of a central recycling location through Sustainable Living. The Board discussed

periodic weekend placement of a bin at the wastewater plant. The Board also discussed a secondary fence within the plant area to contain the recycling activity. The Board received comments from Mr. Black, other members of Go Green Cole's Crossing, and Mr. Richards. Mr. Black recommended the curbside program for better resident participation. Mr. Black also discussed other area and District conservation projects. The Boards also discussed participation in the WaterWise Program. No Board action was taken on this agenda item.

There being no further business to come before the Board, Director Silverman moved to adjourn the meeting. The motion was seconded by Director Lund and passed unanimously.



Matthew R. Lund
Secretary, Board of Directors