

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

January 10, 2019

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 10th day of January, 2019, 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
Greg Coleman	Vice President
Alan Silverman	Secretary
Jeff McClellan	Assistant Secretary
Angela Small	Assistant Vice President

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

Also present at the meeting were Sherri Greenwood of BKD, LLP; Odett McMullen of Bob Leared Interests, Inc.; Diane Bailey of McLennan & Associates ("McLennan"); Brian Bare of Si Environmental, LLC ("Si Enviro"); Erik Miller of Sander Engineering Corp. ("SEC"); Jessica Carr, Whitney Higgins, and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

CONSENT AGENDA

Director Coleman 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 Small seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

PUBLIC COMMENT

Ms. Huston updated the Board regarding comments received regarding the District's website and 2020 Director's Election.

ADDITIONAL BOOKKEEPING MATTERS

The Board next discussed amending the budget for the fiscal year ending August 31, 2019 to revise line item expenses for the Dog Park, wastewater treatment plant, and joint waterplant facilities. Following review and discussion, Director Silverman moved to approve the budget for the fiscal year end August 31, 2019, as amended. Director Small seconded the motion, which passed unanimously. Ms. Bailey said she would circulate a revised budget to include the revision requested and approved by the Board.

The Board considered accepting Disclosure Statements from the District's bookkeeper and Investment Officer as required by the Public Funds Investment Act and the District's Investment Policy. Upon a motion made by Director McClellan and seconded by Director Small, the Board voted unanimously to accept the Disclosure Statements from the District's bookkeeper and Investment Officer and to authorize filing with the Texas Ethics Commission.

Director Small reported Coles Crossing Community Association, Inc. ("CCCAI") requested to assist with payment of the Paul Bland memorial bench. Following discussion, the Board requested McLennan prepare and submit an invoice to CCCAI in the amount of \$467.00, for installation of the memorial bench.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There was no discussion on this agenda item.

RESIDENTIAL IRRIGATION ANALYSIS

Ms. Higgins updated the Board regarding the W.I.S.E. Guys Irrigation Evaluation program and reported VEPO, LLC ("VEPO") has agreed to extend the term of the program until July 31, 2019. She next presented and reviewed the First Amendment to the W.I.S.E. Guys Irrigation Evaluation program. Following discussion, Director Small moved to approve the residential irrigation evaluation program contract with VEPO, as amended. Director Coleman seconded the motion, which carried unanimously.

ADDITIONAL OPERATING MATTERS

Mr. Bare reported the repair to the step screen at the wastewater treatment plant has been completed and Si Enviro has submitted the claim to the District's insurance company.

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 provided to the Board 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 Small 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 Silverman seconded the motion, which carried unanimously.

AUDIT FOR THE FISCAL YEAR ENDING AUGUST 31, 2018

Ms. Greenwood reviewed a draft audit of the District's funds, including joint facility funds, for the fiscal year ending August 31, 2018, a copy of which is attached to these minutes. Upon a motion made by Director Silverman, seconded by Director Small, the Board voted unanimously to approve the audit and management letter, subject to final review and comments.

ADDITIONAL ENGINEERING MATTERS

Mr. Miller reported on the status of construction of Water Plant No. 2 and Water Well No. 4. He reviewed and recommended approval of Pay Estimate Nos. 3 and 5 in the respective amounts of \$27,000.00 and \$133,534.80, payable to the contract with Schier Construction Company. Following review and discussion, Director McClellan moved to approve Pay Estimate Nos. 3 and 5 in the amounts of \$27,000.00 and \$133,534.80, respectively. Director Silverman seconded the motion which passed by unanimous vote.

Mr. Miller reported on the status of construction of the Lift Station No. 1 improvements. He reviewed and recommended approval of Pay Estimate No. 1 and final in the amount of \$27,500.00, payable to C3 Constructors, LLC. Following review and discussion, Director Silverman moved to approve Pay Estimate No. 1 and final in the amount of \$27,500.00 and acceptance of Lift Station No. 1 improvements. Director Small seconded the motion, which passed by unanimous vote.

Mr. Miller updated the Board regarding coordination with the District's Landscape Architect regarding sidewalk construction and surveying of the subject property. Discussion ensued regarding reprioritizing which locations to include in the project. Following discussion, Director Coleman moved to authorize SEC to request proposals for topographic surveys for the following sidewalk phases: (1) Barker Cypress from Destrehan to Walgreens; (2) Chalmette Park Street along Barker Cypress to Jarvis Road then along Jarvis Road to Cypress Woods High School; and (3) along Barker Cypress from Jarvis to Barker Bridge. Director Silverman seconded the motion, which passed by unanimous vote.

EVALUATION OF RECLAIMED WATER SYSTEM

There was no discussion on this agenda item.

ADDITIONAL PARKS MATTERS

There was no action taken on this item.

ATTORNEY REPORT

Ms. Carr reported on the District's compliance activities during the prior calendar year related to bond financings and stated that no action is required at this time.

WEBSITE MATTERS

There was no action taken on this item.

FEBRUARY 2019 REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in February, 2019: February 21, regular meeting and February 12, special meeting at 13050 Barker Cypress Road.

There being no further business brought before the Board, the meeting was adjourned.



VP 

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes <u>Page</u>
Bookkeeper's report.....	1
Engineer's report.....	1
Operator's report.....	1
Tax assessor/collector's report	1
Draft audit for fiscal year ending August 31, 2018	3