

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

February 21, 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 21st day of February, 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 McClellan and Silverman, thus constituting a quorum.

Also present at the meeting were Michael Murr of Murr Incorporated; Greg Lentz of Masterson Advisors, LLC; 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 Myers offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Coleman 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

There was no public comment.

ADDITIONAL BOOKKEEPING MATTERS

The Board discussed the Association of Water Board Directors ("AWBD") winter conference. Following discussion, Director Coleman moved to approve the reimbursement of eligible expenses to the directors who attended the winter conference and authorize any interested director to attend the AWBD summer conference. Director Small seconded the motion, which carried unanimously.

The Board considered approving additional check nos. 5137 and 5138. Following review and discussion, upon a motion made by Director Small, and seconded by Director Coleman, the Board unanimously approved the additional checks.

Ms. Higgins reported on Director Small's request to attend the Gulf Coast Water Conservation Symposium. Following discussion, Director Coleman moved to authorize all interested Directors to attend the Symposium, at a cost not to exceed \$45.00 per attendee. Director Myers seconded the motion, which passed by unanimous vote

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

The Board considered adopting a Resolution Concerning Exemptions from Taxation ("Resolution"), which provides for the exemption from ad valorem taxation of \$20,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, but rejects a general homestead exemption. Upon a motion made by Director Small and seconded by Director Coleman, the Board voted unanimously to adopt the Resolution as described.

#### ADDITIONAL OPERATING MATTERS

There was no additional discussion for this agenda item.

#### 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 Coleman seconded the motion, which carried unanimously.

#### 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 No 6 in the amount of \$124,020.00, payable to the contract with Schier Construction Company. Following review and discussion, Director Small moved to approve Pay Estimate No. 6 in the amount of \$124,020.00. Director Coleman seconded the motion which passed by unanimous vote.

Mr. Miller stated that three bids were received for the Water Well No. 1 Rehabilitation. He stated Alsay Incorporated, submitted the lowest bid in the amount of \$45,645.00, however SEC believes the bid would not result in the best and most economical completion of the project. Mr. Miller recommended that the Board award the contract to the second lowest bidder, C&C Water Services, LLC. ("C&C"), in the amount of \$46,645.00. The Board concurred that, in its judgment, C&C was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, and based upon the engineer's recommendation, Director Coleman moved to award the contract for construction of the Water Well No. 1 Rehabilitation to C&C in the amount of \$46,645.00, subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Myers seconded the motion, which passed by unanimous vote.

Mr. Miller updated the Board regarding sidewalk projects and surveying of property. Discussion ensued regarding revising the topographic survey proposals and sending the Coles Crossing Community Association Inc. ("CCCAI") updated exhibits to reflect the same, including a third phase of sidewalk to be constructed along Barker Cypress from Jarvis to the Barker Bridge. Following discussion, Director Coleman moved to (1) authorize SEC to proceed with an amended proposal for topographic surveys, as discussed; and (2) request ABHR provide the CCCAI the updated exhibits related to the project. Director Small seconded the motion, which passed unanimously.

Mr. Miller discussed the construction of the Wastewater Treatment Plant Expansion and Improvements. He then requested Board authorization to advertise the project for bids. Following discussion, the Board requested SEC to prepare a presentation to discuss the expansion and improvements at the next meeting. No further action was taken by the Board.

Ms. Carr discussed a proposed Temporary Right-Of-Entry and Construction Easement received from Harris County Flood Control District ("HCFCD") to make channel repairs to support drainage along Dry Creek. She stated HCFCD plans to access District property near the lift station at the corner of Jarvis Road and Barker Cypress. Following discussion, Director Coleman moved to authorize ABHR to notify HCFCD that the District is agreeable to the request, contingent upon HCFCD proposing an alternative route to access Dry Creek to avoid unnecessary damage to District property. Director Small seconded the motion, which passed unanimously.

#### EVALUATION OF RECLAIMED WATER SYSTEM

Mr. Miller updated the Board on the status of the Preliminary Engineering Report.

ADDITIONAL PARKS MATTERS

There was no action taken on this item.

ATTORNEY REPORT

Ms. Carr reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the District's bond resolutions. Following review and discussion, Director Coleman moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Small seconded the motion, which passed unanimously.

The Board next reviewed the District's procedures for continuing disclosure compliance and determined no changes are required at this time.

WEBSITE MATTERS

There was no action taken on this item.

MARCH 2019 REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in March, 2019: March 21, regular meeting and March 19, special meeting at 13050 Barker Cypress Road.

CONSULTANT SERVICES AGREEMENT

There was no action taken on this agenda item.

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

  
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Secretary, Board of Directors



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