

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

May 16, 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 16th day of May, 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:

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| 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 Directors Silverman and McClellan, thus constituting a quorum.

Also present at the meeting were Odett McMullen of Bob Leared Interests, Inc.; Erin Garcia of Myrtle Cruz, Inc.; Brian Bare of Si Environmental, LLC ("SI"); Erik Miller of Sander Engineering Corp. ("SEC"); Jessica Holoubek, Whitney Higgins, Kathryn Garner, 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

Director Small requested that ABHR add the Manager for Coles Crossing Community Association, Inc., to the District's agenda distribution list.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McMullen presented a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott, and LLP. A copy of the delinquent tax report is attached.

Ms. McMullen also reviewed preliminary values for 2018 for taxable property within the District received from the Harris County Appraisal District.

ADDITIONAL OPERATING MATTERS

Ms. Holoubek presented and reviewed the District's Critical Load List and explained that the District is required to file the list annually with Harris County and state agencies. She reported that the District engineer, operator and bookkeeper have reviewed the revised Critical Load List and verified that the information is accurate.

Mr. Bare provided a draft Consumer Confidence Report ("CCR") to the Board and said the CCR must be mailed to District customers by July 1.

Following review and discussion, Director Small moved to (1) approve the Critical Load List and authorize ABHR to file same with appropriate local and State agencies; and (2) approve the CCR and authorize SI to mail it to District customers by July 1, 2019. The motion was seconded by Director Coleman and passed unanimously.

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. 9 in the amount of \$54,414.00, payable to the contract with Schier Construction Company ("Schier").

Mr. Miller reported on the status of repairs for Water Well No. 1. He reviewed and recommended approval of Pay Estimate No. 1 and final in the amount of \$178,947.00, payable to C&C Water Services LLC ("C&C").

Discussion ensued regarding the status of the District's Capital Improvement Plan.

Mr. Miller updated the Board regarding the ongoing investigation of drainage at the entrance of The Park at Arbordale.

Following review and discussion, Director Coleman moved to (1) approve Pay Estimate No. 9 in the amount of \$54,414.00, payable to Schier for the construction of Water Plant No. 2 and Water Well No. 4; and (2) approve Pay Estimate No. 1 and final and acceptance of the repairs for Water Well No. 1, payable to C&C. Director Small seconded the motion which passed by unanimous vote.

EVALUATION OF RECLAIMED WATER SYSTEM

Mr. Miller updated the Board on the status of the Preliminary Engineering Report for the Reclaimed Water System.

ADDITIONAL BOOKKEEPING MATTERS

Ms. Higgins discussed with the Board the District's Travel Reimbursement Guidelines with respect to the upcoming Association of Water Board Directors summer conference in Fort Worth.

Ms. Garcia requested Board authorization to void check no. 5209 and approve check no. 5234 for the corrected Water Reuse Invoice from SEC.

Following review and discussion, Director Small moved to (1) authorize that a director attending the conference would be eligible for four per diems and three nights' hotel stay, and reimbursement for reasonable and necessary meals; (2) authorize MCI to void check no. 5209; and (3) approve additional check no. 5234. Director Coleman seconded the motion which passed by unanimous vote.

ADDITIONAL PARKS MATTERS

There was no action taken on this item.

ATTORNEY REPORT

Ms. Holoubek 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 along the pipeline road near the lift station at the corner of Jarvis Road and Barker Cypress. Following discussion, Director Small moved to approve the Temporary Right-Of-Entry and Construction Easement. Director Coleman seconded the motion which passed by unanimous vote.

WEBSITE MATTERS

Discussion ensued regarding the creation of a District logo.

JUNE 2019 REGULAR AND SPECIAL AGENDAS

The Board discussed meeting on the following dates in June, 2019: June 27, regular meeting and June 25, special meeting at 13050 Barker Cypress Road.

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



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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