

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

April 21, 2022

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 April, 2022, 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
Cathy Cropper	Secretary
Ann Nguyen Moore	Assistant Secretary
Angela Small	Assistant Vice President

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

Also present at the meeting were Mary Jarmon of Myrtle Cruz, Inc.; David Beyer of Storm Water Solutions, LLC; Michael Murr of Murr Incorporated ("Murr"); Brian Bare of Si Environmental LLC; Chris Burke of Burke Engineering, LLC; Whitney Higgins, and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending via teleconference or videoconference were Matt Zatopek, resident of the District; Eric Badertscher of Off Cinco; and Odett McMullin of Bob Leared Interests, Inc.

CONSENT AGENDA

Director Myers offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Myers requested the Board remove the minutes from the consent agenda. Director Cropper then moved to approve all items on the consent agenda, except the minutes as requested. Director Coleman seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached.

MINUTES

The Board considered approving the minutes of the March 23, 2022, regular meeting. Director Myers presented his comments to the minutes. Following review and discussion, Director Small moved to approve the minutes of the March 23, 2022, regular meeting, as revised. Director Cropper seconded the motion, which passed by unanimous vote.

PUBLIC COMMENT

Director Myers offered any members of the public attending the meeting the opportunity to make public comment.

Director Moore addressed the Board regarding the upcoming joint meeting with Harris County Municipal Utility District No. 364 ("MUD 364").

There being no further public comments, Director Myers moved to the next agenda item.

ADDITIONAL BOOKKEEPING MATTERS

Ms. Jarmon requested approval of the following additional checks: (1) check no. 1156; and (2) check no. 1157. Following discussion, Director Small moved to approve the additional checks as presented. Director Moore seconded the motion, which passed by a unanimous vote.

The Board reviewed the District's list of qualified broker/dealers and authorized depository institutions. Following review and discussion, upon a motion made by Director Cropper, and seconded by Director Small, the Board unanimously adopted the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions.

The Board concurred to authorize interested Directors to attend the May 19, 2022, Harris County Precinct 3 Town Hall meeting.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There was no discussion on this agenda item.

SMART METERS

The Board next discussed smart meters and potential funding opportunities. Director Coleman stated he will work with Director Myers to look further into specifications on the type of smart meter system that would be best for the District and present at a future meeting.

WATER CONSERVATION

Director Myers addressed the Board regarding opportunities for the Board to participate in water conservation efforts.

STORM WATER SOLUTIONS

Mr. Beyer reviewed a storm water facilities management report, a copy of which is attached, discussed recent increases in prices for materials, and requested approval of an amended contract with Storm Water Solutions. Following review and discussion, Director Coleman moved to approve the contract amendment, subject to final review and approval by ABHR. Director Cropper seconded the motion, which passed by a unanimous vote.

CYPRESS CREEK FLOOD CONTROL COALITION

Director Myers noted the District has officially joined the CCFC Cypress Creek Flood Coalition ("CCFC") and requested the Board consider a monetary donation in lieu of a membership fee. Ms. Higgins reported that CCFC will need to provide the District a letter confirming that donated funds will only be used on public projects prior to the District authorizing disbursement of such funds.

ADDITIONAL OPERATING MATTERS

Mr. Bare reviewed an annual report on the District's Identity Theft Prevention Program ("Program"), a copy of which is attached to the operator's report. He noted that Si is required to prepare an annual report as Program Administrator. Mr. Bare stated the annual report indicates no significant incidents of Identity Theft detected and recommends no changes to the Program at this time. Following review and discussion, Director Small moved to approve the annual report on the Identity Theft Prevention Program as presented. Director Cropper seconded the motion, which passed by unanimous vote.

Mr. Bare addressed the Board regarding a written appeal requesting a leak adjustment from a customer on 16510 Chalmette Park Street. He noted if approved the adjustment total would be \$187.40. Following review and discussion, Director Small moved to approve the leak adjustment request. Director Moore seconded the motion, which passed by a unanimous vote.

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 Cropper seconded the motion, which carried unanimously.

ENGINEERING SERVICES

Mr. Burke presented and reviewed an engineer's report, a copy of which is attached.

Mr. Burke updated the Board regarding the Water Plant Coatings Project. He requested Board approval of Pay Estimate No. 1 in the amount of \$30,848.40 payable to Blastco Texas, Inc. ("Blastco"). Mr. Burke then requested Board approval of Change Order No. 1 to increase the total contract amount by \$8,849.08, noting the change order is due to water leaking past the valve on the GST fill line when the well was called, Blastco had to remove the wet sand, dry, and re-blast. The Board concurred that Change Order No. 1 was beneficial to the District. Mr. Burke then recommended that the Board authorize Blastco to suspend the project until after the summer. Following review and discussion, Director Coleman moved to (1) approve Pay Estimate No. 1 in the amount of \$30,848.40, payable to Blastco; (2) approve Change Order No. 1 in the amount of \$8,849.08 to the contract with Blastco; and (3) upon the recommendation of Burke, authorize suspension of the Water Plant Coatings project. Director Cropper seconded the motion, which passed by a unanimous vote.

Mr. Burke updated the Board regarding C&C Water Service ("C&C") inspection of Water Well No. 4. He reported C&C pulled the motor, repaired a broken bolt on the anti-ratchet, and replaced the motor. He requested Board approval an invoice no. C657 from C&C for the motor repair in the amount of \$3,380.00. Following discussion, Director Moore moved to approve the invoice as presented. Director Coleman seconded the motion, which passed by a unanimous vote.

Mr. Burke updated the Board regarding the status of the unauthorized outfall into the commercial ditch. He noted the property owners stated they are willing to submit a deposit to conduct the feasibility study (the "study") and annex into the District should the annexation prove feasible. The Board then directed Mr. Burke to inform the property owners that should the annexation moved forward, the District will only provide access to the District's commercial ditch and the District will not bear the costs of any legal fees associated with the study and annexation.

RECLAIMED WATER SYSTEM

Mr. Burke updated the Board regarding the status of design of the reclaimed water system. Ms. Higgins updated the Board regarding the status of the Reuse Credit Agreement (the "Agreement") with North Harris County Regional Water Authority.

PUBLIC COMMUNICATIONS

Discussion ensued regarding updates to the website.

RECREATIONAL AND LANDSCAPE FACILITIES

Mr. Murr discussed ongoing maintenance within the District, including sidewalk matters, and maintenance of the District's facilities.

The Board next discussed the proposed Eagle Scout Project to install a puzzle lending library near the Coles Crossing Community Lap Pool. Following review and discussion, Director Small moved to approve the project, subject to receipt of a release waiver of liability from Mr. Zapotek. Director Cropper seconded the motion, which passed by a unanimous vote.

Mr. Murr presented and reviewed bids received on April 20, 2022, to conduct mowing with then District. A copy of which is attached. Following review and discussion, Director Small moved to award the channel and detention mowing contract to KKS in the amount of \$34,400 a year, subject to ABHR approval of terms and conditions. Director Cropper seconded the motion, which passed by a unanimous vote.

Director Myers addressed the Board regarding tree trimming and pruning along the District's recreational trails. He then requested the Board consider authorizing Murr to conduct monthly tree trimming and pruning within the District at an amount not to exceed \$2,800 as Murr sees fit. Following review and discussion, Director Small moved to approve Murr to conduct monthly tree trimming and pruning at an amount not to exceed \$2,800. Director Moore seconded the motion, which passed by a unanimous vote.

ATTORNEY'S REPORT

The Board next reviewed a letter to Harris County Flood Control District ("HCFCD") proposing a Flood Risk Reduction Project utilizing approximately 20-Acres of a 50-Acre detention basin. Following review and discussion, the Board concurred to authorize ABHR to submit the letter to HCFCD and MUD 364.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072

At 1:33 p.m., Director Myers announced that the Board would convene in executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 1:47 p.m., Director Myers announced that the Board would reconvene in open session. Following discussion, the Board concurred to include an item on the next agenda to engage a land broker.

MEETING SCHEDULE

The Board discussed meeting on the following dates in May 2022: May 19, regular meeting and May 9, special meeting.

There being no further business brought before the Board, Director Small moved to adjourn the meeting. The motion was seconded by Director Cropper, which carried unanimously.




Secretary, Board of Directors

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