

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

May 19, 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 19<sup>th</sup> day of May, 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, except Director Myers, thus constituting a quorum.

Also present at the meeting were Greg Lentz and Chase Eastland of Masterson Advisors; Brian Bare of Si Environmental LLC; Odett McMullin of Bob Leared Interests, Inc. ("BLI"); Chris Burke of Burke Engineering, LLC; and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending via teleconference or videoconference were Mary Jarmon of Myrtle Cruz, Inc.; Treacy Ware of Off Cinco; and Whitney Higgins of ABHR.

CONSENT AGENDA

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

PUBLIC COMMENT

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

Director Small updated the Board regarding comments received regarding the District signs.

Director Moore updated the Board regarding comments received regarding the plans for the asphalt replacement project.

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

#### ADDITIONAL BOOKKEEPING MATTERS

Ms. Jarmon requested Board approval of additional check no. 1075.

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

Following review and discussion, Director Small moved to (1) approve additional check no. 1075; and (2) authorize that a Director attending the conference would be eligible for four per diems. Director Moore seconded the motion which passed by unanimous vote.

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman reported the District's preliminary value for 2022 is \$639,193,596 which is a 12.37% increase from the 2021 preliminary values.

Ms. Newman presented and reviewed an Amendment to the Agreement for Services of Tax Assessor/Collector between the District and BLI (the "Amendment"). Following review and discussion, Director Cropper moved to approve the Amendment as presented. Director Small seconded the motion, which passed by a unanimous vote.

#### 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

There was no discussion on the agenda item.

#### CYPRESS CREEK FLOOD CONTROL COALITION

The Board next discussed a monetary donation to the Cypress Creek Flood Coalition. No action was taken at this time.

#### STORM WATER SOLUTIONS

Ms. Huston requested approval of an amended contract with Storm Water Solutions. Following review and discussion, Director Small moved to approve the

contract amendment as presented. Director Cropper seconded the motion, which passed by a unanimous vote.

#### ADDITIONAL OPERATING MATTERS

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, 2022. Following review and discussion, Director Small moved to approve the CCR and authorize SI to mail it to District customers by July 1, 2022. 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. 2 in the amount of \$71,669.70 payable to Blastco Texas, Inc. ("Blastco").

Mr. Burke updated the Board regarding the status of the unauthorized outfall into the commercial ditch. Discussion ensued.

Following review and discussion, Director Cropper moved to (1) approve the engineer's report and (2) approve Pay Estimate No. 2 in the amount of \$71,669.70, payable to Blastco. Director Small seconded the motion, which passed by a unanimous vote.

#### RECLAIMED WATER SYSTEM

Mr. Burke updated the Board regarding the status of design of the reclaimed water system. Mr. Lentz then reviewed a pro forma cash flow analysis reflecting a

\$7,725,000 bond sale for the reclaimed water system. A copy of the tax rate analysis is attached. Discussion ensued.

#### ANNEXATION MATTERS

There was no discussion on this agenda item.

#### PUBLIC COMMUNICATIONS

Discussion ensued regarding updates to the website.

#### RECREATIONAL AND LANDSCAPE FACILITIES

There was no discussion on this agenda item.

#### 2022 DIRECTORS ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Cathy Cropper and Greg Coleman to the Board of Directors of the District each for a four-year term.

Ms. Higgins next reviewed the Sworn Statements and Oaths of Office for Directors Cropper and Coleman.

The Board made no changes to the Board's organization.

The Board then considered authorizing filing an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the newly elected directors.

After review and discussion, Director Cropper moved to (1) approve the Certificate of Election and the distribution of same to Directors Cropper and Coleman; (2) approve the Sworn Statements and Oaths of Office and direct that the Oaths of Office be filed with the Secretary of State, as required by law; and (3) authorize filing of the updated District Registration Form with the TCEQ. Director Moore seconded the motion, which passed by unanimous vote.

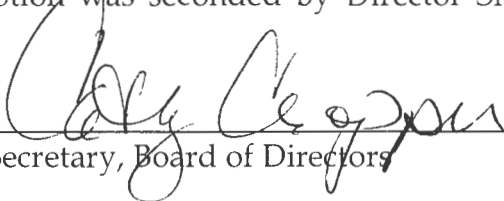
#### ATTORNEY'S REPORT

There was no discussion on this agenda item.

#### MEETING SCHEDULE

The Board discussed meeting on the following dates in June 2022: June 16, regular meeting and June 6, special meeting.

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

  
Secretary, Board of Directors



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