

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

April 20, 2023

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 20<sup>th</sup> day of April, 2023, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, 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 Small, thus constituting a quorum.

Also present at the meeting were Nathan White of Si Environmental LLC ("Si"); Chris Burke of Burke Engineering, LLC ("Burke"); Tracey Scott of Myrtle Cruz, Inc. ("MCI"); Odett Newman of Bob Leared Interests, Inc. ("Leared"); Bear Oakley of Acclaim Energy Advisors; and Adisa Harrington, Connie Rossi, and Franky Wallace 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. Following discussion, Director Moore moved to remove item (4) from the consent agenda and to approve the following agenda items: (1) the minutes from the March 20, 2023 and March 25, 2023, special meetings, and the minutes from the March 23, 2023, regular meeting, as presented; (2) financial and bookkeeping matters; and (3) tax assessment and collection matters. Director Cropper seconded the motion, which passed by unanimous vote. Copies of all documents approved as part of the consent agenda are attached, excluding the minutes from the previous meeting.

PUBLIC COMMENT

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

Director Coleman addressed the Board regarding an email he received from a resident regarding the use of the District's detention basin in the Park at Arbordale subdivision for leisure activities. Discussion ensued. Following discussion, the Board concurred for Directors Myers and Moore to attend the next Park at Arbordale

subdivision for leisure activities. Discussion ensued. Following discussion, the Board concurred for Directors Myers and Moore to attend the next Park at Arbordale Community Association meeting to discuss the use of the District's detention basin for leisure activities.

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

#### ITEM REMOVED FROM CONSENT AGENDA

The operator's report was discussed under Additional Operating Matters below.

#### ELECTRICITY MATTERS

Mr. Oakley requested that the District consider enrolling in the Texas Reliability Coalition (the "Coalition"). He added that there is no cost for the District to join the Coalition. Discussion ensued. No Board action was taken.

Mr. Oakley then presented and reviewed the Acclaim Energy Management Agreement. Discussion ensued. No Board action was taken.

#### ADDITIONAL BOOKKEEPING MATTERS

Ms. Scott discussed District bookkeeping matters.

#### ADDITIONAL OPERATING MATTERS

The Board considered amending the District's Rate Order. Discussion ensued. Following discussion, the Board requested Si coordinate with MCI regarding District accounting matters, including correlating operator billing to the budget line items in the bookkeeper's report.

Mr. White reviewed an annual report on the District's Identity Theft Prevention Program ("Program"). He noted that the annual report indicates no significant incidents of Identity Theft detected and recommends no changes to the Program at this time. The Board took no action.

The Board reviewed the operator's report, a copy of which is attached. The Board discussed the low water accountability in the operator's report. Discussion ensued, and Director Myers stated he will work with the operator to identify and resolve issues that may be contributing to the District's low accountability. Following review and discussion, Director Cropper moved to approve the operator's report. Director Coleman seconded the motion, which passed unanimously.

Mr. White then requested authorization to send two uncollectable accounts totaling \$336.63 to a collection agency. Following discussion, Director Coleman moved to authorize Si to send two uncollectable accounts totaling \$336.63 to a collection agency. Director Moore seconded the motion, which passed by unanimous vote. The Board requested that collections be added to future agendas.

#### 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. White 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. Following review and discussion, Director Cropper moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Coleman seconded the motion, which passed by unanimous vote.

#### ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman discussed 2022 tax collections.

#### RECREATIONAL AND LANDSCAPE MATTERS

The Board discussed District recreational and landscape matters, including the asphalt overlay project.

Directors Moore and Cropper reported on District parks matters and reviewed a Parks Committee report, a copy of which is attached. Discussion ensued regarding trail matters and the next joint special meeting with Harris County Municipal Utility District No. 364 ("MUD 364").

#### ENGINEERING MATTERS

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

Mr. Burke updated the Board regarding the Texas Pollutant Discharge Elimination System permit renewal.

Mr. Burke reviewed the monthly well pumpage and run time charts, copies of which are attached to the engineer's report.

Mr. Burke updated the Board regarding the Water Well No. 2 rehabilitation project and recommended approval of Pay Estimate No. 1 and Final in the amount of \$163,268.00, payable to C & C Water Services, LLC ("C&C").

Mr. Burke updated the Board regarding the water plant coating project.

Mr. Burke then updated the Board regarding the proposed reclaimed water system, including land easements and conveyance matters. Discussion ensued, and the Board concurred to proceed with preparation of legal descriptions for the seven tracts identified on the map in the engineer's report.

Mr. Burke updated the Board regarding the unauthorized outfall.

Mr. Burke updated the Board regarding the rehabilitation of the joint channel and drainage repairs.

Mr. Burke updated the Board regarding the emergency outfall erosion repair near the Coles Crossing Clubhouse.

The Board then discussed the proposed smart meter project.

Mr. Burke updated the Board regarding submittal of Bond Application No. 5.

Following review and discussion, and based upon the engineer's recommendation, Director Coleman moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 1 and Final in the amount of \$163,268.00, payable to C&C, for the Water Well No. 2 rehabilitation project; and (3) authorize Burke to survey and prepare the legal descriptions for the seven tracts at a total cost of \$9,150. Director Cropper seconded the motion, which passed by unanimous vote.

APPROVE ALTERNATIVE WATER USE INCENTIVE AGREEMENT BETWEEN THE DISTRICT, NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA"), AND MUD 364

The Board considered approving the Alternative Water Use Incentive Agreement between NHCRWA, MUD 364, and the District (the "Joint Agreement"). Following discussion, Director Cropper moved to approve the Joint Agreement, subject to finalization. Director Moore seconded the motion, which passed by unanimous vote.

NON-POTABLE WATER SYSTEM MATTERS

The Board considered approving a Resolution Adopting Policy Regarding Non-Potable Water Use (the "Resolution"). Discussion ensued. Following review and discussion, Director Coleman moved to approve the Resolution, as revised. Director Moore seconded the motion, which passed by unanimous vote.

Ms. Harrington then presented and reviewed a form Non-Potable Water Agreement. Following discussion, Director Cropper moved to approve the form agreement and authorize ABHR to transmit the form agreement to the Coles Crossing Community Association and Park at Arbordale Community Association. Director Coleman seconded the motion, which passed by unanimous vote.


PUBLIC COMMUNICATIONS AND COMMUNITY OUTREACH EVENTS

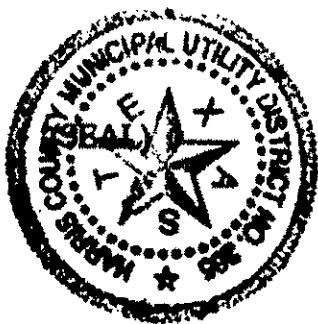
There was no discussion on this agenda item.

MEETING SCHEDULE

The Board concurred to hold the next special meeting on May 8, 2023, and the next regular meeting on May 18, 2023.

There being no further business brought before the Board, Director Coleman moved to adjourn the meeting. Director Moore seconded the motion, which passed by unanimous vote.

  
Asst. Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

Minutes  
Page

Bookkeeper's report.....	1
Tax assessor/collector's report and delinquent tax report.....	1
Operator's report.....	2
Parks Committee Notes.....	3
Engineer's report.....	3