

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

August 18, 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 18th day of August, 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 Cropper, thus constituting a quorum.

Also present at the meeting were Tommy Leblanc of Avison Young; Kirstie Miller of The Goodman Corp; Sherri Greenwood of FORVIS, LLP ("FORVIS"); Brian Bare of Si Environmental LLC ("Si"); Odett McMullin of Bob Leared Interests, Inc.; Chris Burke of Burke Engineering, LLC; Alia Vinson and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

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

CONSENT AGENDA

Director Myers 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 Myers offered any members of the public attending the meeting the opportunity to make public comment. There being no public comments, Director Myers moved to the next agenda item.

ENGAGE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END AUGUST 31, 2022

Ms. Greenwood reviewed a proposal for auditing services from FORVIS. She stated the estimated fees are \$20,000, plus a \$1,000 administrative fee and an estimated

\$2,400 to audit each joint facility account. After discussion, Director Small moved to approve the audit proposal from FORVIS. The motion was seconded by Director Moore and passed unanimously.

SECURITY MATTERS

The Board considered renewal of the District's Interlocal Agreement for Law Enforcement Services through the Harris County Sheriff's Department. Upon a motion by Director Coleman and a second by Director Moore, the Board voted unanimously to authorize renewal and execution of an Interlocal Agreement for Law Enforcement Services.

ADDITIONAL BOOKKEEPING MATTERS

The Board next reviewed a draft budget for the fiscal year ending August 31, 2023. Following review and discussion, Director Moore moved to approve the budget for the fiscal year ending August 31, 2023. Director Small seconded the motion, which passed unanimously.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There was no discussion on this agenda item.

DISCUSS 2022 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board concurred to defer discussion on this agenda item.

WATER CONSERVATION AND DRAINAGE MATTERS

The Board discussed smart meters and potential funding opportunities.

The Board next discussed the Cypress Creek Flood Coalition ("CCFC"). Director Myers stated CCFC's current mission is flood mitigation matters. Discussion ensued regarding providing a monetary donation to the CCFC for the District's membership. The Board discussed considering a \$5,000 donation to the CCFC. Director Coleman suggested making monthly donations that could total \$5,000 which would be \$416.67 a month as long as the Board desires to continue them. Following discussion, Director Small motioned to make the aforementioned donation to the CCFC. Director Coleman seconded the motion, which passed by a unanimous vote.

Director Myers addressed the Board regarding grant application submittals with the Harris-Galveston Subsidence District, with the focus on obtaining federal and local grant dollars for irrigation and water conservation purposes.

ADDITIONAL OPERATING MATTERS

The Board next discussed the status of the District's application to the Association of Water Board Directors to be a Water Smart Partner. Following review and discussion Director Small moved to (1) approve the Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program; and (2) authorize Si to submit the application for the AWBD Water Smart Partners Program when available. Director Moore seconded the motion, which passed by 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 Coleman 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 a Water Well No. 2 rehabilitation project (the "project"). He requested Board authorization to (1) prepare plans and specifications and authorize advertisement for bid for the project; (2) amend the Joint Water Plant Budget to include the project; and (3) authorize submittal of notice of repairs to Harris County Municipal Utility District No. 364 ("MUD 364"). Following discussion, Director Moore moved to (1) authorize preparation and approval of plans and specifications and advertisement for bid for the project; and (2) authorize submittal of notice to the MUD 364 pursuant to the Joint Facilities Agreement.

Mr. Burke then presented and reviewed a proposal for engineering services for preparation of Bond Application Report No. 5. Following review and discussion, Director Coleman moved to approve the proposal, subject to ABHR approval. Director Moore seconded the motion, which passed by a unanimous vote.

RECLAIMED WATER SYSTEM

Mr. Burke updated the Board regarding the status of the reclaimed water system and presented and reviewed a timeline for the same.

ANNEXATION MATTERS

The Board next discussed the unauthorized storm water outfall at 12307 Woodworth Drive. Mr. Burke reported the District is in receipt of a \$40,000 developer deposit and executed annexation agreement between the District and Antonio & Reyna Ramirez (the "property owners") who wish to move forward with annexing their tract into the District. He noted that the other items requested by the annexation agreement have not yet been received from the property owners. Following review and discussion, the Board concurred to authorize Burke and ABHR to notify the property owners that they have 30 days from September 15, 2022, to provide all the required documents for the annexation, otherwise the agreement will be null and void and the unauthorized storm water outfall will need to be immediately returned to its original condition or the property owners will face further action from the District.

ENGAGE LAND BROKER

Mr. LeBlanc introduced himself to the Board and discussed the services provided by his firm.

ENGAGE GRANT WRITER

Ms. Miller introduced herself to the Board and discussed the services provided by The Goodman Corp. Discussion ensued regarding the possibility of engaging a grant writer to assist with obtaining federal and local grants. Following review and discussion, Director Moore moved to engage The Goodman Corp. for grant writing services, subject to approval of terms and conditions by ABHR. Director Small seconded the motion, which passed by a unanimous vote. The Board further concurred that Director Moore be appointed as the District's liaison to work with The Goodman Corp. on contractual and grant writing matters.

PUBLIC COMMUNICATIONS

Director Myers addressed the Board regarding policies and procedures for updating the District website. Director Small presented her proposed amendments to the District website, including posting educational updates to keep residents involved. The Board concurred to discuss further at the upcoming special Board meeting.

COMMUNITY EVENTS

Discussion ensued regarding a request received from the Coles Crossing Community Association, Inc. ("CCCAI"), for the Board to be a sponsor for National

Night Out. Following review and discussion, Director Moore moved to contribute \$500 to the CCCAI for National Night Out for the purposes of solely advancing security matters for the District. Director Small seconded the motion, which passed by a unanimous vote.

The Board next discussed a request from CCCAI seeking permission to set up a hydration and medical station at the southwest corner of the detention basin for the Turkey Trot on Thanksgiving Day and authorization to use a golf cart on the District's trails in the event of a medical emergency. Following discussion, the Board concurred to (1) grant a variance of the District's motorized vehicle policy on November 24, 2022 for the purpose of allowing members of the CCCAI to use a single golf cart on the District's trails for medical emergency purposes; and (2) notify the CCCAI that a member of the District will provide the CCCAI access on November 24, 2022 to set up a hydration and medical station at the southwest corner of the detention basin for the Turkey Trot.

RECREATIONAL AND LANDSCAPE FACILITIES

There was no discussion on this agenda item.

ATTORNEY'S REPORT

There was no discussion on this agenda item.

MEETING SCHEDULE

The Board discussed meeting on the following dates: September 15, regular meeting and August 31, special meeting.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071

At 1:48 p.m., Director Myers announced that the Board would convene in executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 2:12 p.m., Director Myers announced that the Board would reconvene in open session. No action was taken by the Board.

ENGAGE LAND BROKER

The Board next discussed engaging Avison Young as the District's Land Broker. Following discussion, Director Small moved to engage Avison Young at the District's Land Broker, subject to ABHR review and approval of the terms and conditions. Director Moore seconded the motion, which passed by a unanimous vote.

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



[Handwritten Signature]
Asst. Secretary, Board of Directors

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