

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

December 21, 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 21st day of December, 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 Myers, thus constituting a quorum.

Also present at the meeting were Nathan White and Jarryd Mayfield of Si Environmental LLC ("Si"); Chris Burke of Burke Engineering, LLC ("Burke"); Odett Newman of Bob Leared Interests, Inc. ("Leared"); Sherri Greenwood of Forvis, LLP ("Forvis"); and Adisa Harrington and Connie Rossi of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending via audioconference was Mary Jarmon of Myrtle Cruz, Inc.

CONSENT AGENDA

Director Coleman offered Board members the opportunity to remove items from the consent agenda for individual discussion. Following discussion, Director Moore 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, excluding the minutes from the previous meeting.

PUBLIC COMMENT

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

Director Coleman thanked the District's consultants for their hard work throughout the year and wished them a happy holiday season.

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

AUDIT FOR THE FISCAL YEAR ENDING AUGUST 31, 2023

Ms. Greenwood reviewed the District's draft audit and management letter for fiscal year ending August 31, 2023. Discussion ensued. Following review and discussion, Director Cropper moved to approve the audit for fiscal year end August 31, 2023, subject to final review by the District's consultants, and direct that it be filed appropriately and retained in the District's official records. Director Moore seconded the motion, which passed by unanimous vote.

ADDITIONAL BOOKKEEPING MATTERS

The Board discussed the District's Travel Reimbursement Guidelines and the Association of Water Board Directors ("AWBD") winter conference in Dallas scheduled for January 19-20, 2024. The Board considered authorizing payment to one Director of one additional per diem and reimbursement for one additional hotel night at the winter conference, in the event that an AWBD facility tour is scheduled for January 19 and the director participates in the tour. Following review and discussion, Director Small moved to (i) authorize the directors attending the AWBD winter conference to receive three per diems, two hotel nights, and reimbursement for reasonable and necessary meals during the conference, all to be submitted in accordance with the District's Travel Reimbursement Guidelines; and (ii) authorize payment to one Director of one additional per diem and reimbursement for one additional hotel night at the AWBD winter conference in the event that an AWBD facility tour is scheduled for January 19 and the director participates in the tour. Director Moore seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION ESTABLISHING POLICY REGARDING PAYMENT OF DIRECTOR PER DIEMS

The Board considered adopting a Resolution Clarifying Director Fees of Office. Discussion ensued. Following discussion, Director Moore moved to adopt the Resolution Clarifying Director Fees of Office. Director Coleman seconded the motion. Directors Moore and Coleman voted for the motion, Directors Small and Cropper voted against the motion, and the motion failed.

ADDITIONAL OPERATING MATTERS

Mr. White reviewed the District's water accountability, as reflected in the operator's report.

Mr. White requested authorization to send three uncollectable accounts totaling \$279.73 to a collection agency. Following discussion, Director Moore moved to authorize the operator to send three uncollectable accounts totaling \$279.73 to a collection agency. Director Cropper 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. 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 Moore 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 Cropper seconded the motion, which passed by unanimous vote.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman updated the Board on 2023 tax collections.

REVIEW AND, IF APPROPRIATE, APPROVE REQUEST FROM HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364 ("MUD 364") FOR APPROVAL OF CONSTRUCTION PLANS FOR RECREATIONAL TRAIL MODIFICATIONS WITHIN EASEMENT AREAS OWNED BY THE DISTRICT

The Board reviewed MUD 364's construction plans for the upcoming recreational trail modifications project, to be performed within the Easement areas owned by the District. Discussion ensued. Following discussion, the Board requested Burke to review MUD 364's construction plans with Murr, Inc. and present his findings at the next meeting for Board review and consideration. The Board deferred action on this agenda item.

RECREATIONAL AND LANDSCAPE MATTERS

The Board discussed a request submitted by Eagle Scout Alexander Ganim for approval to install a public bike workstation on a District trail. Director Small discussed the revised workstation installation plan. Discussion ensued. Following discussion, Director Small moved to approve the Eagle Scout project, as discussed. Director Cropper seconded the motion, which passed by unanimous vote.

Director Small reported tree trimming needed at Allemand Lane. Following discussion, Director Small moved to authorize tree trimming at Allemand Lane to be performed by Murr, Inc. at the estimate daily cost per day. Director Moore seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

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

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 remote monitoring options for the District water plants using SCADA (Supervisory Control and Data Acquisition).

Mr. Burke updated the Board regarding the upcoming construction of surface water lines to be undertaken by North Harris County Regional Water Authority ("NHCRWA"). He reviewed the proposed revised route map for the NHCRWA surface water lines, a copy of which is attached to the engineer's report. Discussion ensued.

Mr. Burke updated the Board regarding a utility service request from Broadstone Coles Crossing Apartments.

Mr. Burke updated the Board regarding a utility service request from Dundee Court for a medical office building, noting the letter of no objection related to the Coles Crossing Commercial ditch and detention has been drafted.

Mr. Burke stated that he has not received an update regarding a utility service request from RSG Engineering, Inc. ("RSG") for water and wastewater service for a 24.4-acre office park tract located at 15535 Jarvis Road, Cypress, Texas 77429. He noted RSG is considering a multi-family development but has not yet submitted a capacity request for same.

Mr. Burke updated the Board regarding the Reclaimed Water Distribution System. He noted he will prepare a revised layout, cost estimate, and credit calculation converting only irrigation meters with high usage for Board review. Discussion ensued. The Board requested ABHR to coordinate with the attorney for Coles Crossing Community Association (the "HOA") regarding potential revisions to the proposed Non-Potable Water User Agreement.

Mr. Burke updated the Board regarding the easement descriptions and proposed land exchange between the District and the HOA. Discussion ensued.

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

Mr. Burke updated the Board regarding the proposed smart meter project. Discussion ensued.

The Board reviewed the storm water management program report, a copy of which is attached.

Following review and discussion, Director Small moved to approve the engineer's report. Director Moore seconded the motion, which passed by unanimous vote.

WATER CONSERVATION AND DRAINAGE MATTERS

There was no discussion on this agenda item.

ADDITIONAL OPERATING MATTERS (CONTINUED)

The Board discussed the District's Drought Contingency Plan ("DCP"). Director Small stated she is working with the operator regarding potential amendments to the DCP.

RECLAIMED WATER SYSTEM MATTERS

The Board further discussed the proposed Non-Potable Water User Agreement between the District and HOA.

COMMUNICATION MATTERS

The Board considered adoption of an Amended and Restated Resolution Establishing Communications Committee and Policy. The Board concurred to take no action on this agenda item.

Director Small updated the Board regarding public communications matters.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Harrington reported ABHR has filed the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812.

MEETING SCHEDULE

The Board concurred to hold the next special meeting on January 8, 2024, at 6:00 p.m., at the Coles Crossing Community Center, and the next regular meeting on January 18, 2024, at 12:00 p.m., at the offices of ABHR.

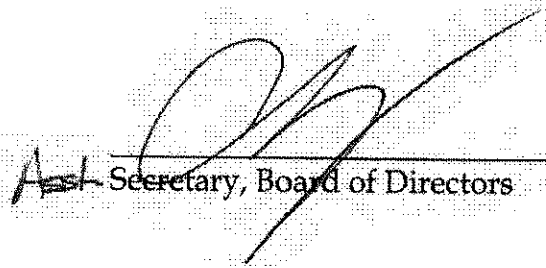
It was noted that the next quarterly joint special meeting with MUD 364 is scheduled for January 24, 2024.

ACCEPT RESIGNATION OF DIRECTOR MYERS

The Board considered accepting Director Myers' resignation from the Board, effective January 1, 2024. Following discussion, Director Small moved to accept Director Myers' resignation from the Board, effective January 1, 2024. Director Moore seconded the motion, which passed by unanimous vote. Discussion ensued regarding the vacant position and the upcoming Directors election.

There being no further business to come before the Board, Director Cropper moved to adjourn the meeting. Director Small seconded the motion, which passed by unanimous vote.




Secretary, Board of Directors

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