

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

February 17, 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 17th day of February, 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
Alan Silverman	Secretary
Cathy Cropper	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 Dubois and Bear Oakley of Acclaim Energy; Greg Lentz of Masterson Advisors; and Whitney Higgins and Holly Huston of Allen Boone Humphries Robinson LLP ("ABHR").

Due to the COVID-19 virus epidemic emergency and the high threat level warnings issued by various governments and agencies, the District established videoconference and telephone options for members of the public to listen to the meeting and to address the Board. Also attending via teleconference or videoconference were Ann Nguyen Moore, resident of the District; John Lacy of Costello; Chris Burke of Burke Engineering, LLC; Mary Jarmon of Myrtle Cruz, Inc.; Shannon Waugh and Shaila Sreedharan of Off Cinco; Odett McMullin of Bob Leared Interests, Inc.; and Brian Bare of Si Environmental, LLC ("Si").

CONSENT AGENDA

Director Myers offered Board members and consultants the opportunity to remove items from the consent agenda for individual discussion. Director Cropper then moved to approve all items on the consent agenda. Director Silverman 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.

Ms. Moore introduced herself and addressed the Board regarding the 2022 Directors Election.

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

ENERGY PRICING REPORT

Ms. Dubois discussed the District entering into a municipal utility district aggregate electricity pool for electricity service and then reviewed an Acclaim Energy Market Update, a copy of which is attached. She stated the District's current contract expires on March 31, 2024. Ms. Dubois then reviewed two contract extension options for the Board's consideration: (1) a strike price of \$0.04236 per kWh with an end date of April 30, 2029; or (2) a strike price of \$0.04186 per kWh with an end date of December 30, 2030. Following review and discussion, Director Small moved to authorize extension of the District's electricity contract through December 30, 2030 at the strike price of \$0.04186 per kWh in an amount not to exceed the same. Director Cropper seconded the motion which passed by a unanimous vote.

ADDITIONAL BOOKKEEPING MATTERS

The Board discussed the Association of Water Board Directors ("AWBD") winter conference. Upon a motion made by Director Coleman and seconded by Director Silverman, the Board voted unanimously to approve the reimbursement of eligible expenses to the directors who attended the winter conference and authorize any interested director to attend the AWBD summer conference.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There was no discussion on this agenda item.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Lentz provided an overview of the Board's options for exemptions. The Board considered adopting a Resolution Concerning Exemptions from Taxation ("Resolution"), which provides for the exemption from ad valorem taxation of \$20,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older but rejects a general homestead exemption. Upon a motion made by Director Small and seconded by Director Coleman, the Board voted unanimously to adopt the Resolution, as described.

SMART METERS

Director Coleman presented and reviewed a comparison chart of two smart meter providers that provided presentations at previous meetings. Discussion ensued. Director Coleman stated he will revise the comparison chart to reflect the comments received from the Board and present to the Board at a future meeting.

WATER CONSERVATION

Director Myers addressed the Board regarding opportunities for the Board to participate in water conservation efforts. Discussion ensued and Director Small volunteered to explore opportunities, including those potentially available through Harris Galveston Subsidence District.

ADDITIONAL OPERATING MATTERS

Director Myers addressed the Board regarding ongoing discussions with Si to modify water bills to include additional information on the North Harris County Regional Water Authority ("NHCRWA").

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 the Board concurred to submit the application as discussed.

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 Silverman 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 Small 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 requested Board authorization to prepare the renewal application for the TPDES Permit Renewal for the Wastewater Treatment Plant. Following discussion, the Board concurred to authorize this request.

Mr. Burke updated the Board regarding the Water Plant Coatings project.

Discussion ensued regarding an illegal connection to the commercial ditch. Ms. Higgins stated that ABHR has submitted noticed letters to the property owners and the City of Houston engineering department.

RECLAIMED WATER SYSTEM

Mr. Burke updated the Board regarding the status of design of the reclaimed water system. Discussion ensued regarding an upcoming meeting between the District and NHCRWA regarding the system.

PUBLIC COMMUNICATIONS

Discussion ensued regarding scheduling a community meeting to discuss drainage projects within Harris County.

RECREATIONAL AND LANDSCAPE FACILITIES

Director Myers addressed the Board regarding coordination with the Coles Crossing Community Association for the sidewalk extension project.

Director Myers updated the Board regarding the status of tree pruning and trail repairs.

ATTORNEY'S REPORT

Director Myers addressed the Board regarding Director requests for per diems. Ms. Higgins provided an overview of Section 49.060 of the Texas Water Code which provides guidance on the fees of office for Districts. Discussion ensued.

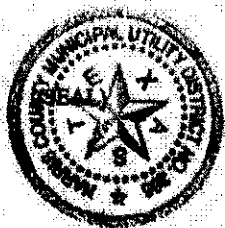
2022 DIRECTORS ELECTION

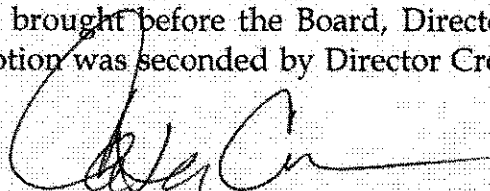
The Board next discussed the 2022 Directors Election.

MARCH MEETING SCHEDULE

The Board discussed rescheduling its March meeting to March 23, 2022 at 9:00 a.m.

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





Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	1
Operator's report.....	1
Tax assessor/collector's report	1
Engineers Report.....	3