

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

March 21, 2024

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 21<sup>st</sup> day of March, 2024, 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:

Greg Coleman	President
Cathy Cropper	Vice President
Angela Small	Secretary
Ann Nguyen Moore	Assistant Secretary
Vacant	Assistant Vice President

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Laura Bland and Mike Crafton, residents of the District; Earle Higginbotham, a member of the public; 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"); 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 Small moved to remove item (1) from the consent agenda and to approve the following agenda items: (2) financial and bookkeeping matters; (3) tax assessment and collection matters; and (4) the operator's report. 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 meetings.

PUBLIC COMMENT

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

Ms. Bland addressed the Board regarding a reported water main leak under her driveway.

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

ITEM REMOVED FROM CONSENT AGENDA

The Board considered approving the February 15, 2024, regular meeting minutes. Following review and discussion, Director Small moved to approve the February 15, 2024, regular meeting minutes, as revised. Director Moore seconded the motion, which passed by unanimous vote.

REORGANIZE THE BOARD AND AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

There was no discussion on this agenda item.

ENERGY PRICING REPORT

There was no discussion on this agenda item. The Board requested ABHR to coordinate with Acclaim Energy Advisors regarding the District's Energy Pricing Report.

ADDITIONAL BOOKKEEPING MATTERS

There were no additional per diem requests.

ADDITIONAL OPERATING MATTERS

Mr. White reported on routine District repairs and maintenance matters.

Mr. White stated there are no uncollectible accounts.

Mr. White addressed the Board regarding driveway damage at 16215 Haden Crest Court due to a leaking water line owned by the District. He recommended the Board authorize Si to repair the driveway, at the estimated cost of \$3,000.00. Discussion ensued. Following discussion, Director Small moved to authorize Si to repair the driveway damage, at the estimated cost of \$3,000.00. Director Moore seconded the motion, which passed by unanimous vote.

Mr. White noted that water quality complaints are addressed on a case-by-case basis.

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Harrington noted that the critical

load information on the District's facilities is required to be reviewed at least annually and provided to certain entities, including the District's electricity provider, the Public Utility Commission, and other governmental entities. Following review and discussion, Director Small moved to approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Moore seconded the motion, which passed by unanimous vote.

The Board discussed the District's Emergency Preparedness Plan (the "EPP") and requirements to file any updates with the Texas Commission on Environmental Quality ("TCEQ"). Ms. Harrington stated the District is required to update the personnel and contact information listed in the EPP and submit the updated pages to the TCEQ and other required entities. Mr. Burke noted there are updates to personnel and contact information listed in the EPP. Following discussion, Director Small moved to authorize the District's engineer to update the necessary personnel and contact information in the District's EPP and submit the updated pages to all required entities. Director Moore seconded the motion, which passed by unanimous vote.

Ms. Harrington stated that the Texas Commission on Environmental Quality rules require that the District review and adopt an Amended and Restated Drought Contingency Plan in 2024, prior to May 1st. Discussion ensued. Following discussion, the Board requested that ABHR coordinate with Directors Coleman and Small regarding proposed updates to the DCP and present an updated DCP at the next regular meeting for Board consideration.

Mr. White reported that the customer billing issues relating to regional water authority fees have been addressed and resolved, and refunds have been issued to all affected District customers.

#### 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 Small 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.

Discussion ensued regarding uncollectable accounts. Ms. Newman stated she will present a list of eligible uncollectable tax accounts for Board review to the next regular meeting.

## UPDATE ON HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364 ("MUD 364") TRAIL MODIFICATIONS PROJECT AND APPROVE RELATED MAINTENANCE AGREEMENT

Mr. Burke and Ms. Harrington updated the Board regarding the MUD 364 trail modifications project, related construction access matters, and the proposed maintenance agreement for the project.

## RECREATIONAL AND LANDSCAPE MATTERS

Director Small updated the Board regarding the community drinking fountain. She then updated the Board regarding irrigation to the soccer field.

Director Coleman updated the Board regarding the interactive fountain.

## UPDATE ON DONATION TO SAMPSON ELEMENTARY FOR PLAYGROUND EQUIPMENT AND RELATED INTERLOCAL AGREEMENT WITH CY-FAIR INDEPENDENT SCHOOL DISTRICT

Ms. Harrington updated the Board regarding the donation to Sampson Elementary School for playground equipment and related Interlocal Agreement with Cy-Fair Independent School District and MUD 364. Discussion ensued.

## 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), noting the electrical engineer is preparing a letter report to update controls at the water plants and remote well.



Mr. Burke updated the Board regarding the utility service requests from Broadstone Coles Crossing Apartments and Dundee Court for a medical office building.

Mr. Burke stated he received an inquiry from a land broker for Cypress Kids located on Jarvis Road regarding potential utility service.

Discussion ensued regarding the District potentially acquiring certain land located outside the District. Following discussion, the Board authorized Director Coleman to coordinate with Property Acquisition Services regarding potential land acquisition and requested Mr. Burke to prepare an exhibit for the land, as discussed.

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

Mr. Burke updated the Board regarding the repairs to the back-slope outfall in the Dry Creek basin (the "Outfall Repairs"). He noted that he requested proposals from two additional contractors for the Outfall Repairs. Mr. Burke stated KKS Environmental, LLC ("KKS") submitted a revised proposal in the amount of \$19,500.00, noting that KKS is the lowest bidder. Following discussion, Director Small moved to approve the proposal from KKS in the amount of \$19,500.00 for the Outfall Repairs. Director Cropper seconded the motion, which passed by unanimous vote.

Mr. Burke reported on a MUD 364 repair project along the east channel relating to slope failures due to dispersive clays. He noted Burke will inspect the District's channels and determine whether there are similar slope failures.

Mr. Burke updated the Board regarding the proposed smart meter project. Discussion ensued, and Ms. Harrington noted that the ABHR long-form construction contract will need to be utilized for the smart meter project. Mr. Burke stated a propagation study is pending for the smart meter project.

Mr. Burke updated the Board regarding the upcoming sanitary sewer evaluation and rehabilitation project (the "Rehabilitation Project") to be performed by MUD 364. He noted MUD 364 is soliciting bids for cleaning and televising sewers that serve Coles Crossing, Sections 9 and 10. Mr. Burke reported that a small portion of Coles Crossing, Section 10 is located in the District. He recommended that the Board authorize MUD 364 to include the District's portion of Coles Crossing, Section 10 in the Rehabilitation Project, at an estimated cost of \$7,000.00. Following discussion and based on the District engineer's recommendation, Director Cropper moved to (1) approve the engineer's report; (2) authorize MUD 364 to include the District's portion of Coles Crossing, Section 10 in the Rehabilitation Project, at an estimated cost of \$7,000.00, as discussed; and (3) authorize ABHR to coordinate with MUD 364 to prepare an agreement for the District's approximately \$7,000 share of the Rehabilitation Project, if necessary. Director Small seconded the motion, which passed by unanimous vote.

Director Coleman reported on a communication he received from a District resident located in The Park of Arbordale regarding a drainage issue from a cul-de-sac that drains towards the District's channel. Discussion ensued. Following discussion, the Board authorized Burke to coordinate with the affected homeowners regarding options for improving the existing drainage.

Mr. Burke gave an update regarding the map he is preparing showing district and homeowners association amenities.

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

### WATER CONSERVATION AND DRAINAGE MATTERS

Directors Cropper and Small updated the Board regarding the upcoming World Water Day event.

### COMMUNICATION MATTERS

The Board discussed District communication matters, including updates to the District website.

### MEETING SCHEDULE

The Board concurred to hold the next special meeting on April 8, 2024, at 6:00 p.m., at the Coles Crossing Community Center, and the next regular meeting on April 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 April 24, 2024, at 6:00 p.m.

### 2024 DIRECTORS ELECTION

#### AUTHORIZE NOTICE AND WRIT OF ELECTION

Ms. Harrington discussed procedures related to the 2024 Directors Election. She discussed that a Notice and Writ of Election is required to be provided to the election officials for the 2024 Directors Election. Following review and discussion, Director Moore moved to authorize the Secretary's agent to provide the Notice and Writ of Election to the election officials for the 2024 Directors Election and to direct that the Notice be filed appropriately and retained in the District's official records. Director Small seconded the motion, which passed by unanimous vote.

## AUTHORIZE POSTING OF EARLY VOTING AND ELECTION DAY ROSTER

Ms. Harrington discussed that early voting rosters must be posted during the early voting period and the election day roster must be posted for the 2024 Election. Following review and discussion, Director Moore moved to authorize posting of the early voting rosters during the early voting period and the election day roster for the 2024 Election, as required, and to direct that the rosters be filed appropriately and retained in the District's official records. Director Small seconded the motion, which passed by unanimous vote.

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



*Greg Small*  
Secretary, Board of Directors



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