

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

January 19, 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 19<sup>th</sup> day of January, 2023, 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, thus constituting a quorum.

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

Also attending via teleconference was Mary Jarmon of Myrtle Cruz, Inc. ("MCI")

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

ADDITIONAL BOOKKEEPING MATTERS

Ms. Jarmon presented check no. 1387 payable to Paul E. Allen Company, Inc., in the amount of \$49,747.00, for benches, trash receptacles and non-residential private carrier freight (the "Additional Check"). Following review and discussion, Director

Small moved to approve the Additional Check. Director Cropper seconded the motion, which passed by unanimous vote.

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of the District's bookkeeper and investment officer. Ms. Harrington explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. Following review and discussion, Director Cropper moved to accept the disclosure statements as presented and to authorize they be appropriately filed. Director Coleman seconded the motion, which passed by unanimous vote.

The Board considered amending the budget for the fiscal year end August 31, 2023. No action was taken.

The Board discussed the District's Travel Reimbursement Guidelines and the Association of Water Board Directors ("AWBD") winter conference in Austin scheduled for January 27-28, 2023. Director Small requested an extra per diem and additional hotel night for her to travel to the conference the day before the conference to attend an AWBD-sponsored park tour the morning of January 27, 2023. Following discussion, Director Small moved to authorize an additional per diem and hotel night for her participation in the park tour. Director Moore seconded the motion. Directors Myers, Coleman and Cropper voted against the motion, and the motion failed.

#### ADDITIONAL OPERATING MATTERS

Mr. Mapes presented and reviewed the monthly operator's report.

Mr. Mapes updated the Board regarding the Water Well No. 2 motor replacement project. He then reported on routine maintenance and repair.

Mr. Mapes discussed rules adopted by the Public Utility Commission of Texas ("PUC") to implement legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that are due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. He reviewed and discussed the one-time notice of the requirements that must be sent to utility customers by January 31, 2023. Mr. Mapes then presented a proposed Amended Rate Order incorporating the provisions of the PUC rules, including terms for customers to request and receive a payment schedule for payment of bills due during such an extreme weather emergency. Following review and discussion, Director Small moved to authorize the operator to send the one-time notice to District customers and to adopt the Amended Rate Order 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.

Director Coleman inquired about a report received by the District regarding a leaking fire hydrant at 14111 Spindle Arbor Road. Mr. Mapes stated that Si will check the status of the repair.

#### 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. Mapes 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 reported on uncollectible tax accounts from prior tax years, as shown in the tax assessor collector's report. Discussion ensued. Following discussion, the Board requested Leared to inquire about receiving tax payments through the use of PayPal.

Ms. Newman then reviewed the delinquent tax roll with the Board.

#### 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 updated the Board regarding the Water Well No. 2 rehabilitation project, including inspection and maintenance of the cathodic protection system. He presented and reviewed proposals from Corrpro and Deepwater Corrosion Services, Inc. for repair and maintenance of the cathodic protection system. Discussion ensued. Following discussion, Director Coleman moved to approve the proposal from Corrpro for inspection and installation of the cathodic protection system, in the amount of

\$2,400.00 for commissioning and report plus an additional \$1,750.00 for quarterly surveys. Director Cropper seconded the motion, which passed by unanimous vote.

The Board discussed resident concerns regarding the Water Well No. 2 rehabilitation project and requested Si respond appropriately.

Mr. Burke then updated the Board regarding the proposed reclaimed water system. He added that a proposal for the Phase 1 distribution lines will be presented at the next regular meeting. Discussion ensued.

Mr. Burke updated the Board regarding the rehabilitation of the joint channel and drainage repairs and requested authorization to assemble a bid package at an hourly rate. Following discussion, the Board authorized Burke to assemble a bid package at an hourly rate for 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 ("Emergency Outfall Repair"). Discussion ensued. Following discussion, the Board requested Burke inspect the outfall to determine if the erosion is due to backwash, before finalizing the bid specifications. Ms. Harrington noted that ABHR will issue notice to Harris County Municipal Utility District No. 364 regarding the Emergency Outfall Repair, once Burke has finalized the bid specifications.

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

#### STORM WATER SOLUTIONS LLC MATTERS

The Board reviewed a stormwater facilities management report, a copy of which is attached.

The Board then reviewed a proposal from Storm Water Solutions, LLC, for removal of vegetation at Outfall Unit Nos. 2 and 3 and offsite disposal of spoils, in the amount of \$3,500.00. Discussion ensued and the Board determined not to proceed with the work at this time. No Board action was taken.

#### PUBLIC COMMUNICATIONS

The Board discussed District public communications matters, including whether to amend the Resolution Establishing Communications Committee and Policy. Following discussion, the Board requested the Communications Committee to present a finalized amendment at the next meeting. No action was taken.

The Board then discussed the proposed issuance of Director e-mail addresses and District website matters. The Board requested that Off Cinco attend the next meeting to discuss District website matters.

## ATTORNEY REPORT

Ms. Harrington reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

Ms. Harrington reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Small moved to approve the Annual Report, subject to finalization, authorize the attorney to submit the District's updated financial and operating data to EMMA in compliance with the continuing disclosure provisions contained in the bond resolutions, and direct that the Report be filed appropriately and retained in the District's official records. Director Moore seconded the motion, which passed by unanimous vote.

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Harrington stated that no changes are required at this time.

## MEETING SCHEDULE

The Board concurred to hold the next special meeting on February 6, 2023, and the next regular meeting on February 23, 2023.

It was noted that the next quarterly joint special meeting with Harris County Municipal Utility District No. 364 is scheduled for January 25, 2023.

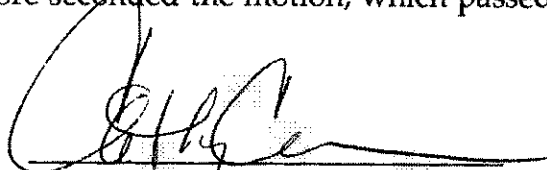
## CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR SETTLEMENT OFFER

The Board convened in executive session at 1:02 p.m., pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with the District's attorney to discuss pending or contemplated litigation, or settlement offer. Ms. Harrington stated that Mr. Burke were needed in the Executive Session in order to render legal advice and the Board concurred for them to be present. Ms. Harrington, Ms. Rossi, and Mr. Burke were also present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

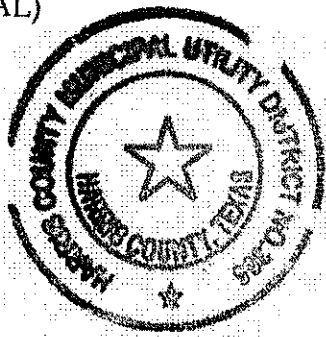
The Board reconvened in open session at 1:08 p.m. No Board action was taken.

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



Secretary, Board of Directors

(SEAL)



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