

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

January 16, 2025

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 16th day of January, 2025, 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
Ann Nguyen Moore	Secretary
Cassandra Cronin	Assistant Secretary
Michael Crafton	Assistant Vice President

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

Also present at the meeting were Jarryd Mayfield of Si Environmental LLC ("Si"); Odett Newman of Bob Leared Interests, Inc. ("Leared"); Chris Burke of Burke Engineering, LLC ("Burke"); Lisha Lupher of Storm Water Solutions, LLC ("SWS"); Michael Murr of Murr, Incorporated ("Murr, Inc."); Austin Ficken of Masterson Advisors, LLC; and Adisa Harrington and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending via audioconference was Erin Garcia of Myrtle Cruz, Inc. ("MCI").

CONSENT AGENDA

Director Coleman offered Board members the opportunity to remove items from the consent agenda for individual discussion. Following discussion, Director Cropper moved to approve all items on the consent agenda, including the minutes from the December 19, 2024 regular meeting. 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 meetings.

PUBLIC COMMENT

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

SERIES 2025 UNLIMITED TAX BONDS

PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE

Mr. Ficken discussed the expected timeline of the upcoming bond sale. He then distributed and reviewed a draft of the Preliminary Official Statement and the Notice of Sale for the Series 2025 Unlimited Tax Bonds (the "Bonds").

ENGAGE RATING COMPANY TO PERFORM CREDIT RATING ANALYSIS FOR SERIES 2025 UNLIMITED TAX BONDS

Mr. Ficken discussed engaging a rating agency to perform a credit rating analysis for the Bonds.

APPOINT PAYING AGENT/ REGISTRAR

Ms. Harrington discussed the duties of the paying agent/registrar for the Bonds and noted the financial advisor recommends that the Board appoint The Bank of New York Mellon Trust Company, N.A. ("BONY") as the District's paying agent/registrar for the Bonds.

AUTHORIZE ADVERTISEMENT FOR THE SALE OF THE BONDS

The Board considered authorizing the District's financial advisor to advertise the sale of the Bonds and concurred to hold the bond sale on February 20, 2025.

After review and discussion, Director Moore moved to (1) approve the Preliminary Official Statement and Official Notice of Sale; (2) engage Standard & Poor's to perform a credit rating analysis for the Bonds; (3) appoint BONY as the paying agent/registrar, as recommended by the financial advisor; and (4) authorize the District's financial advisor to advertise and schedule the sale of the Bonds for February 20, 2025. Director Cropper seconded the motion, which passed unanimously.

WATER CONSERVATION AND DRAINAGE MATTERS

The Board concurred to remove this item from the agenda.

COLES CROSSING STORMWATER DETENTION AND WATER QUALITY IMPROVEMENT PROJECT (THE "DETENTION BASIN PROJECT")

Mr. Burke presented and reviewed Estimated Engineering Fees, including surveying and geotechnical services, for the Detention Basin Project in the total amount of \$193,040.00. Mr. Burke stated that the 30% design phase for the project will take six months. After review and discussion, Director Cropper moved to approve a

survey for the project from Lupher Surveying in the amount of \$38,665.00. Director Crafton seconded the motion, which passed unanimously. The Board took no action regarding the Estimated Engineering Fees.

ADDITIONAL BOOKKEEPING MATTERS

In accordance with the District's Investment Policy, the Board considered the annual disclosure statement of Mary Jarmon as 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, and the disclosure statements will be filed with the Texas Ethics Commission and the District.

Ms. Garcia requested the Board's approval of additional check no. 1992 in the amount of \$250.00 to Harris County Municipal Utility District No. 364 ("MUD 364") for the District's contribution for audiovisual improvements for future joint meetings.

After review and discussion, Director Moore moved to (1) accept the disclosure statements as presented and to authorize they be appropriately filed; and (2) approve additional check no. 1992 in the amount of \$250.00, authorize ABHR to prepare a letter to MUD 364 regarding the check, and authorize the bookkeeper to send the check to MUD 364 accompanied by the letter from ABHR. Director Cropper seconded the motion, which passed unanimously.

ADDITIONAL OPERATING MATTERS

Mr. Mayfield updated the Board regarding District operating matters.

Mr. Mayfield updated the Board regarding fire hydrant inspections and requested the Board's approval to make repairs to certain fire hydrants. Mr. Mayfield stated that he will provide a schedule for repainting certain fire hydrants at a future meeting.

Mr. Mayfield reviewed the monthly customer call log, a copy of which is attached to the operator's report.

Following review and discussion, Director Moore moved to authorize Si to make repairs to certain fire hydrants in an amount not to exceed \$7,500.00. 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. Mayfield 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 Cropper 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 Crafton seconded the motion, which passed by unanimous vote.

ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Newman updated the Board on 2024 tax collections. She noted that tax overpayment refund check no. 1195 to Corelogic will be voided and reissued to the homeowner next month.

UPDATE ON HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364 TRAIL MODIFICATIONS PROJECT

The Board discussed the MUD 364 trail modifications project. Mr. Burke stated that one outfall requires immediate attention. Mr. Burke reported that Phase II of the project is underway and that Phase III should be complete in May, 2025.

RECREATIONAL AND LANDSCAPE FACILITIES

Mr. Murr updated the Board regarding maintenance services and the Trees for Houston tree planting project. Mr. Murr stated that Silversand Services ("Silversand") will begin maintenance on February 15, 2025. The Board asked Mr. Murr to inform Silversand to delay mowing services until mid-May, 2025. Mr. Burke asked Mr. Murr to obtain a proposal from Silversand for spring overseeding and fertilizing.

ENGINEERING MATTERS

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

Mr. Burke updated the Board regarding the upcoming construction of water transmission lines for Projects 37D and 37E, to be undertaken by the North Harris County Regional Water Authority (the "NHCRWA").

Mr. Burke updated the Board regarding the upcoming construction of surface water conversion lines for Project 37J, to be undertaken by the NHCRWA.

Mr. Burke updated the Board regarding the status of a utility service request from Dundee Court for a medical office building.

Mr. Burke updated the Board regarding the installation of smart meters.

Mr. Burke updated the Board regarding construction of the Joint Channels and Detention Repairs and reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$12,745.01, payable to Rally Construction, Inc. Mr. Burke also presented a Certificate of Completion and Acceptance and recommended the Board accept the project.

Mr. Burke requested the Board's approval of a proposal from Lupher Surveying ("Lupher") to perform a topographic survey, a boundary survey, and easement descriptions and exhibits for The Park of Arbordale/Twisting Ivy Relief Sewer in the amount of \$13,662.00.

Mr. Burke updated the Board regarding the backslope outfall replacement near The Park of Arbordale, performed by SWS. Mr. Burke updated the Board regarding the backslope outfall video inspections and stated that the storm outfalls were outside the scope of the project. Mr. Burke stated that these outfalls are larger, and therefore more expensive to repair, and that ownership of the outfalls needs to be determined.

Mr. Burke updated the Board regarding the construction status of the Cypress Creek erosion repair project.

The Board considered approving a proposal from Property Acquisition Services, LLC ("PAS") for right-of-way acquisition services for lift station no. 2 in the amount of \$4,000.00.

Mr. Burke discussed a letter from a District resident expressing concern about corrosion on a footbridge. Mr. Burke presented and reviewed a proposal from Burke's structural engineer to review the matter and make recommendations in the amount of \$2,500.00.

Mr. Burke presented and reviewed a 2025 Rate Schedule for Engineering Services, effective January 1, 2025.

Following review and discussion, and based on the engineer's recommendation, Director Moore moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 2 and Final in the amount of \$12,745.01, for the Joint Channels and Detention Repairs, and to accept the facilities; (3) approve the Lupher

proposal in the amount of \$13,662.00; (4) approve the PAS proposal in the amount of \$4,000.00; (5) approve the Burke proposal for the footbridge in the amount of \$2,500.00; and (6) approve the Burke 2025 Rate Schedule for Engineering Services. Director Crafton seconded the motion, which passed by unanimous vote.

MAINTENANCE AND REPAIRS TO DISTRICT AND JOINT DRAINAGE AND DETENTION FACILITIES

Ms. Lupher presented and reviewed SWS's quarterly storm water management program report, a copy of which is attached. Discussion ensued.

Mr. Murr confirmed that he will remove debris adjacent to a detention pond.

Mr. Burke stated that he is investigating a damaged corrugated metal pipe outfall from the wastewater treatment plant.

COMMUNICATION MATTERS, INCLUDING REPORT FROM COMMUNICATIONS COMMITTEE AND UPDATES TO DISTRICT WEBSITE

Director Moore updated the Board regarding communication matters.

Director Moore asked Mr. Mayfield to update the Board regarding customer participation in the Eye-on-Water smart meter app at the next regular Board meeting and to track participation on the monthly operator's report going forward.

ATTORNEY'S REPORT

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 Moore 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 Cronin 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.

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 discussed legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. She stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Ms. Harrington reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Moore moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Cronin seconded the motion, which passed unanimously.

The Board reviewed an arbitrage rebate report from OmniCap for the District's Series 2019 Refunding Bonds, which stated that the District does not owe the Internal Revenue Service any arbitrage rebate payments.

MEETING SCHEDULE

The Board concurred to hold the next special meeting on February 10, 2025, at 5:00 p.m., at the Coles Crossing Community Center and the next regular meeting on February 20, 2025, at the offices of ABHR.

The Board further concurred to hold the March special meeting on March 3, 2025, at 5:00 p.m., at the Coles Crossing Community Center and the March regular meeting on March 20, 2025, at the offices of ABHR.

It was noted that the next quarterly joint special meeting with MUD 364 is scheduled for January 22, 2025 at 6:00 p.m.

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




Secretary, Board of Directors

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