

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 365

September 18, 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 18th day of September, 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 Tanner Helweg of Freese and Nichols, Inc.; Greg Lentz and Austin Ficken of Masterson Advisors ("Masterson"); Jarryd Mayfield of Si Environmental LLC ("Si"); Odett Newman of Bob Leared Interests, Inc. ("Leared"); Lisha Lupher of Storm Water Solutions, LLC ("SWS"); Chris Burke of Burke Engineering, LLC ("Burke"); Michael Murr of Murr, Incorporated ("Murr, Inc."); and Adisa Harrington and Maricela Guerrero of Allen Boone Humphries Robinson LLP ("ABHR").

Also attending via audioconference were Mary Jarmon of Myrtle Cruz, Inc. and Bridget Elmore of The Goodman Corporation ("Goodman").

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 August 21, 2025, 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 meeting.

DISCUSS 2025 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2025 tax rate. Mr. Ficken reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2025 water, sewer, and drainage debt service tax rate of \$0.011 per \$100 of assessed valuation, based on the District's initial 2025 certified value of \$675,081,636, plus \$8,304,597

representing the uncertified value under protest, and \$7,323,253 of additional pending value. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Ms. Harrington discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Coleman moved to (1) set the public hearing date for October 16, 2025; and (2) authorize the tax assessor/collector to publish notice in the Cypress Creek Mirror of the District's meeting on October 16, 2025, to conduct a public hearing on the proposed 2025 total tax rate of \$0.37 per \$100 of assessed valuation, with \$0.011 allocated for debt service on water, sewer, and drainage bonds, and \$0.359 allocated for operations and maintenance. Director Moore seconded the motion, which passed by unanimous vote.

RECEIVE PRESENTATION REGARDING POTENTIAL SAN JACINTO REGIONAL FLOOD PLANNING GROUP FLOOD MITIGATION EVALUATION FOR COLES CROSSING DETENTION POND, AND TAKE APPROPRIATE ACTION

Mr. Helweg introduced himself and delivered a presentation regarding a potential flood mitigation evaluation by the San Jacinto Regional Flood Planning Group ("SJRFPG"), noting the evaluation would focus on a project within the District. Following review and discussion, Director Moore moved to authorize Burke, Goodman, and the SJRFPG to coordinate and identify a suitable District project for the proposed flood management evaluation. Director Cropper seconded the motion, which passed by unanimous vote.

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.

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

Ms. Elmore updated the Board on the Detention Basin Project and requested authorization to submit the environmental documentation to the Environmental Protection Agency ("EPA"). Following discussion, Director Moore moved to authorize Goodman to submit the environmental documentation to the EPA. Director Crafton seconded the motion, which passed by unanimous vote.

ADDITIONAL BOOKKEEPING MATTERS

The Board reviewed the Final Excess Earnings report prepared by Omnicap for the District's Series 2019 Refunding Bonds (the "Report"). Ms. Harrington stated the Report reflects a yield reduction payment of \$4,774.06 due to the Internal Revenue Service (the

"IRS"). She reported that the legally required payment and related IRS Form 8038-T will be delivered to the IRS. Discussion ensued regarding the Report and the payment. Following review and discussion, Director Crafton moved to approve (1) the execution and filing of IRS Form 8038-T; and (2) the yield reduction payment in the amount of \$4,774.06 to the IRS. Director Cropper seconded the motion, which passed by unanimous vote.

ADDITIONAL OPERATING MATTERS

Mr. Mayfield updated the Board regarding District operating matters.

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

Mr. Mayfield reviewed the District's Water Smart application.

Ms. Harrington discussed Baseline Testing criteria regarding DuPont and 3M class action settlements. Mr. Mayfield discussed the proposed schedule for conducting Baseline Testing with an accredited laboratory, presenting the results to the Board, and providing the test results to the Claims Administrator within forty-five calendar days of receiving the results and no later than January 1, 2026. He stated that Public Water System Testing Compensation Claim Forms for reimbursement of Baseline Testing are due prior to January 1, 2026. After review and discussion, Director Crafton moved to (1) approve the Baseline Testing schedule; and (2) authorize Si to submit the results to the Claims Administrator and file the Testing Reimbursement Claim Form. Director Moore seconded the motion, which passed by unanimous vote.

The Board reviewed and considered approval of an Amended Rate Order, reflecting amended rates to tap fees related to the operator's rate increase. Following discussion, the Board concurred to defer action until the next meeting.

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.

Ms. Newman reported on the District's initial certified value for 2025.

Ms. Harrington reported that the District can nominate a candidate for the vacancy on the Board of Directors for Harris Central Appraisal District. Following discussion, the Board concurred to take no action on this matter.

UPDATE ON HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 364 ("MUD 364") TRAIL MODIFICATIONS PROJECT

The Board discussed the MUD 364 trail modifications project. Following discussion, the Board requested ABHR coordinate with the attorney for MUD 364 to develop draft park rules.

REPORT FROM PARKS COMMITTEE

Director Cronin updated the Board regarding District park matters.

RECREATIONAL AND LANDSCAPE FACILITIES

Mr. Murr updated the Board regarding maintenance of District property.

Mr. Murr updated the Board regarding sample signs to replace the existing park signage. Discussion ensued regarding the possibility of entering into a cost sharing agreement for the signage with Murr, Inc., MUD 364, and the District.

ENGINEERING MATTERS

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

Mr. Burke updated the Board regarding the Joint Water Plant Exterior Coating project. He stated that CFG Industries ("CFG") entered into a partnership with CROM, and that ABHR is currently evaluating whether the partnership requires changes to the contract with CFG.

Mr. Burke updated the Board regarding the upcoming construction of surface water conversion lines for Project 37J, to be undertaken by the NHCRWA. He stated that MUD 364 must plat water plant no. 2 to obtain Harris County approval, noting the District will be responsible for its share of the associated costs. Ms. Harrington reported that a real estate attorney is working on the District's revisions to the easement documents for the NHCRWA surface water projects.

Mr. Burke discussed updates to the District's Capital Improvement Plan ("CIP") and reviewed a funding plan for the Detention Basin Project. Following discussion, the Board requested Burke revise the CIP to indicate alternate projects that may be advanced in the event that current projects are delayed or placed on hold.

Following review and discussion, Director Cropper moved to (1) approve the engineer's report; and (2) authorize Burke Inc. to share its preliminary cost estimate for the Detention Basin Project with the engineer for MUD 364. 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 monthly storm water management program report, a copy of which is attached. The Board concurred to post SWS's "Small Action, Big Impact" flyer on the District's website.

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

The Board discussed communication matters.

ATTORNEY'S REPORT

Ms. Harrington presented a memorandum regarding the required submission of an annual report to the Bond Review Board containing certain information about the District's voter-approved but unissued bonds, a copy of which is attached, and stated that ABHR will work with the District's consultants to prepare and submit the annual report by the September 30th deadline.

Ms. Harrington updated the Board regarding Daniel Hembree's request to use the District's detention pond in Coles Crossing for the purpose of rocket launch practice. Following discussion, the Board concurred to decline the request and directed ABHR to notify Mr. Hembree accordingly.

MEETING SCHEDULE

The Board concurred to hold the October special meeting on October 6, 2025, at 5:00 p.m., at the Coles Crossing Community Center, and the October regular meeting on October 16, 2025, at 12:00 p.m., at the offices of ABHR. It was noted that the next quarterly joint special meeting with MUD 364 will be held on October 20, 2025, at 6:00 p.m.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS
GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR
VALUE OF REAL PROPERTY

The Board did not convene in executive session.

There being no further business, the Board concurred to adjourn the meeting.





Secretary, Board of Directors

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