

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

Minutes of Meeting Thursday, June 19, 2014

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 368 (the "District") met in regular session, open to the public, at 6:30 p.m. on Thursday, June 19, 2014 at the District's regular meeting place, Graceview Baptist Church, 25510 Tomball Parkway, Tomball, Texas, whereupon the roll was called of the members of the Board to-wit:

Roy P. Lackey	President
Tiffani C. Bishop	Vice President/Investment Officer
Sharon L. Cook	Secretary
Eric Daniel	Treasurer
Allison V. Dunn	Assistant Secretary

All members of the Board were present except Director Cook, thus constituting a quorum. Consultants in attendance were: Mike Plunkett of Eagle Water Management, Inc. ("Operator"); David Summerlin of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); Kristen Scott of Bob Leared Interests Inc. ("Tax Assessor/Collector"); Andrew Dunn of On-Site Protection, LLC ("On-Site"); Sergeant Romero and Deputy Brittany Buschur of the Harris County Precinct 4 Constable's Office ("HCCO"); and Martye Kendrick of Johnson Petrov LLP ("JP" or "Attorney"). Also present was Spencer Bishop of Boy Scout Troop 1491.

The President called the meeting to order at 6:50 p.m., and in accordance with the notice posted pursuant to law, the following business was transacted:

- I. **Public Comment.** There was no public comment.
- II. **Security Report.** Sergeant Romero reviewed the Constable's security report for May 2014. Mr. Dunn next reported on crime statistics in the area and presented the On-Site security report, a copy of which is attached hereto as Exhibit "A". Mr. Dunn also presented the internet performance report for District facilities, a copy of which is attached to the On-Site security report.
- III. **General Business.**
 - A. **Emergency Operations and Repairs to District Facilities.** Mr. Plunkett reviewed a resident's request for water bill adjustment due to a higher than normal water usage. M. Plunkett stated that no leak was detected at the property. Discussion ensued after which the Board agreed to take no action on this matter.

Director Bishop reported on her correspondence with Jerrell Wolff of Residential Recycling of Texas ("RRT") stating that RRT's truck was down which resulted in recycling collection services running late. The truck was repaired and RRT will resume the normal recycling collection schedule.

Director Bishop stated that the District's garbage collection services have been running late as well and Robin Gribble of WCA Waste Corporation of Texas has assured her that the collection times should stabilize soon.

- B. Changes and Additions to District Website. Mr. Plunkett reported that the 2013 Consumer Confidence Report has been posted on the District's website.
- C. Monthly Recycling Report. The Board next reviewed the Recycling Report for May 2014 prepared by RRT, a copy of which is attached hereto as Exhibit "B".

IV. **Tax Assessor/Collector's Report.** The President recognized Ms. Scott who presented and reviewed the Tax Assessor/Collector's Report for the month of May 2014, a copy of which is attached hereto as Exhibit "C". Ms. Scott reported that 98.781% of the District's 2013 tax levy had been collected as of May 31, 2014.

Ms. Scott reported that the Harris County Appraisal District ("HCAD") has assessed a preliminary value of the property within the District at \$516 million, which is \$71 million more than the 2013 taxable value.

Upon motion by Director Daniel, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved the Tax Assessor/Collector's Report.

V. **Bookkeeper's Report.** The President recognized Mr. Summerlin who reviewed the Bookkeeping Report, a copy of which is attached hereto as Exhibit "D". Mr. Summerlin noted that check no. 12373 to Radcliffe Bobbitt Adams Polley LLC has been voided and check no. 12382 has been issued instead to Johnson Radcliffe Petrov and Bobbitt LLC.

Next, upon motion by Director Cook, seconded by Director Lackey, after full discussion, and with all Directors present voting aye, the Board voted to (i) approve the Bookkeeping Report; (ii) authorize payment of Check Nos. 12297 through 12382 from the Operating Fund; and (iii) authorize payment of Check No. 1660 from the Capital Project Fund.

VI. **Engineer's Report.** Mr. Bishop reported that he, Director Bishop, and Matt Carpenter met with Ms. Vicki Bland, the Khorville Elementary School ("KES") Principal, and Mr. Kevin Wiegat, Assistant Director of Maintenance at Klein ISD, regarding the proposed rainwater collection system (the "Project") for KES. Mr. Bishop stated that Ms. Bland and Mr. Wiegat believe that the project cost too much to be considered an Eagle Scout project. They also expressed their concern about the installation and maintenance costs as well as safety issues associated with project. Director Bishop stated that she explained that the District would be willing to finance the installation cost of the project; however, Mr. Wiegat stated that the cost does not justify educational benefits of the project. Extensive discussion ensued and the Board agreed to table the matter at this time.

VII. **Attorney's Report.**

- A. Real Estate matters update. There were no matters to report.

- B. Condemnation of Easements by the Texas Department of Transportation. Ms. Kendrick reviewed the easement offer agreement from TXDoT pertaining to the Grand Parkway project and recommended the Board approve such Agreement subject to further review by the Attorney and the Engineer.

Upon motion by Director Lackey, seconded by Director Daniel, after full discussion and with all Directors present voting aye, the Board approved the easement offer agreement from TxDoT, subject to further review by the Attorney and the Engineer.

- C. Approval of minutes of the June 5, 2014 Board meeting. Upon motion by Director Dunn, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved the minutes of the June 5, 2014 Board meetings as amended.

VIII. Adjournment. With no additional matters before the Board, the Board adjourned the meeting at 8:04 p.m.

[EXECUTION PAGE FOLLOWS]

Passed and approved this 3rd day of July, 2014.




Secretary, Board of Directors

Exhibits:

- "A" Security Report
- "B" Monthly Recycling Report
- "C" Tax Assessor/Collector's Report
- "D" Bookkeeper's Report