

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

### Minutes of Meeting Thursday, April 16, 2015

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, April 16, 2015 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 Daniel, thus constituting a quorum. Consultants in attendance were: Mike Plunkett of Eagle Water Management, Inc. ("Operator"); Katherine Turner of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); Debbie Arellano of Bob Leared Interests Inc. ("Tax Assessor/Collector"); Andrew Dunn and Keith Klimple of On-Site Protection, LLC ("On-Site"); Sergeant Walton and Corporal Thomason of the Harris County Precinct 4 Constable's Office ("HCCO"); and Scott Eidman, attorney, and Mirna Croon, paralegal, of Johnson Petrov LLP ("JP" or "Attorney").

The President called the meeting to order at 7:00 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 Matters;**
  - A. **Security Report.** Corporal Thomason reviewed the Constable's security report for March 2015, a copy of which is attached hereto as Exhibit "A". Mr. Dunn presented the internet performance report for District facilities, a copy of which is attached to the Security Report.
- III. **General Business.**
  - A. **Emergency Operations and Repairs to District Facilities.** Mr. Plunkett reported that a cost to relocate the fence at Water Plant No. 2 is \$2,500. There will also be some additional costs related to the concrete work and transfer of the electrical equipment.

Upon motion by Director Dunn, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved the fence relocation project.

- B. Changes and Additions to District website. There were no matters to report.
- C. Monthly Recycling Report. The Board reviewed the March 2015 recycling report prepared by Residential Recycling of Texas, a copy of which is attached hereto as Exhibit "B".
- D. Legislative Update. Ms. Croon updated the Board regarding House Bill No. 2389, according to which any district in Harris or Fort Bend County with a Strategic Partnership Agreement ("SPA") will be required to spend a designated portion of its SPA revenue only on projects that are agreed upon and approved by the County. Ms. Croon also informed the Board about House Bill No. 3640 related to reducing fees of office for the directors of municipal utility districts from \$150 to \$100 per day.

IV. **Tax Assessor/Collector's Report.** The President recognized Ms. Arellano who presented and reviewed the Tax Assessor/Collector's Report for the month of March 2015, a copy of which is attached hereto as Exhibit "C". Ms. Arellano reported that 98.055% of the District's 2014 tax levy had been collected as of March 31, 2015.

Ms. Arellano also reviewed a request from a business owner requesting an installment payment plan for his 2014 business property tax of \$150 per month, a copy of which is attached to the Tax Collector's Report.

Upon motion by Director Cook, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved the above described installment payment plan.

Next, upon motion by Director Cook, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board (i) approved the Tax Assessor/Collector's Report; and (ii) authorized payment of checks numbered 1066 through 1071 from the Tax Account.

V. **Engineer's Report.** There were no matters to report.

VI. **Bookkeeper's Report.** Ms. Turner first reviewed the Bookkeeping Report, a copy of which is attached hereto as Exhibit "D". She also reviewed the draft budget for fiscal year ending May 31, 2016, a copy of which is attached to the Bookkeeper's Report.

Next, upon motion by Director Dunn, seconded by Director Bishop, after full discussion, and with all Directors present voting aye, the Board voted to (i) approve the Bookkeeper's Report; (ii) authorize payment of Check Nos. 13139 through 13228 from the Operating Fund; and (iii) authorize payment of Check No. 1668 from the Capital Projects Fund.

VII. **Attorney's Report.**

- A. Real Estate matters update including, Fence Encroachment Agreement. There were no matters to report.

- B. Approval of minutes of the March 26, 2015 and April 2, 2015 Board meetings. Upon motion by Director Dunn, seconded by Director Cook, after full discussion and with all Directors present voting aye, the Board approved the minutes of the March 26, 2015 and April 2, 2015 Board meetings, as amended.

VIII. **Special Meeting:** The Board agreed to schedule a special meeting for Tuesday, May 5, 2015 at 5 p.m. to discuss the District's security system.

IX. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 7:32 p.m.

Passed and approved this 7<sup>th</sup> day of May, 2015.

  
Secretary, Board of Directors

**Exhibits:**

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