

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

### Minutes of Meeting Friday, May 29, 2015

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 368 (the "District") met in special session, open to the public, at 11:30 a.m. on Friday, May 29, 2015, at 11807 Skydale, Tomball, Texas 77375, 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, thus constituting a quorum. Consultants in attendance were: Andrew Dunn of On-Site Protection, LLC (the "Security Coordinator"); Matt Carpenter, P.E. of IDS Engineering Group ("IDS" or "Engineer"); and Scott Eidman, attorney, of Johnson Petrov, LLP ("JP" or "Attorney").

The President called the meeting to order at 12:07 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. **General Business.**
  - A. **Pay Bills and Pay Estimates.** There were no matters to report.
  - B. **Engineer Inquiry regarding Sale of District's Generator** Mr. Carpenter stated that he is currently working with a municipal utility district near the Conroe area that is interested in acquiring a generator. The district located near Conroe has the possibility of purchasing a used generator at a cost of \$35,000.  
  
Mr. Lackey stated that the District's generator has minimal hours of use and the generator would have a fair market value greater than \$35,000. The Board stated to Mr. Carpenter that they did not have a current interest in selling the District's generator with hurricane season starting. The Board informed Mr. Carpenter that they would be willing to consider the sale of the generator at a later date, but only after generators have been installed at Lift Station No. 1 (Royal Isle) and Lift Station No. 2 (Boudreaux).
  - C. **Repairs to Manhole.** Director Lackey asked the Engineer if he had inspected the collapsed manhole at the Wastewater Treatment Plant. Mr. Carpenter replied that the

manhole repairs had not been inspected due to the substantial amount of rainfall in the area. Mr. Carpenter stated that the area around the manhole will need to dry out prior to excavating and inspecting the area.

- D. Fence Repair Director Lackey informed the Engineer that the District's operator had expressed concerns regarding the stability of the fence posts located near the Southeast corner of the Wastewater Treatment Plant due to the substantial amount of moisture in the ground.

Mr. Carpenter informed Director Lackey that the fence posts should be stable if they use cement stabilized sand down to a depth of four or five feet around the fence posts. In addition to items stated above, the Engineer recommended that density shots should be obtained to make sure compaction around the fence posts is sufficient.

- E. Sanitary Sewer Repairs Director Bishop stated that she has concerns with the quality of work that is being performed by the subcontractor used for sanitary repairs. The Engineer stated that he would meet with the District operator to review the subcontractor's work. The Engineer stated that the District may want to add language to the contract that requires the Engineer or a designated person to sign off on the subcontractor's repairs prior to the release of final payment for the work.

III. Security System Evaluation. The President next recognized Mr. Dunn who acknowledged that he was ready to discuss the security evaluation of the District's facilities.

IV. Executive Session. Next, at 12:36 p.m., upon motion by Director Cook, seconded by Director Bishop, after full discussion with all Directors present voting aye, the President called an Executive Session, pursuant to Section 551.076 of the Open Meetings Act, to discuss security matters of the District. Only Director Lackey, Director Bishop, Director Cook, Director Daniel, Director Dunn, Mr. Dunn, Mr. Carpenter, and Mr. Eidman were present during executive session.

V. Reconvene Open Session. At 1:19 p.m., upon motion by Director Cook, seconded by Director Bishop, the Board reconvened the meeting in regular Session. No action was taken in the Executive Session.

- A. Vote on Matters Considered in Executive Session Next, upon motion by Director Cook, Seconded by Director Bishop, after full discussion with Directors Lackey, Cook and Bishop voting aye and Directors Dunn and Daniel abstaining, the Board authorized the Security Coordinator to obtain a quote for an alarm system to be installed at Stormwater Pump Station No. 1 (Windsor Point).

VI. Adjournment. With no additional matters before the Board, the Board adjourned the meeting at 1:23 p.m.

Passed and approved this 4<sup>th</sup> day of June, 2015.

A handwritten signature in blue ink, appearing to read "Sharon Cook", written over a horizontal line.

Secretary, Board of Directors