

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

Minutes of Meeting Monday, December 21, 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 Monday, December 21, 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, thus constituting a quorum. Consultants in attendance were: Mike Plunkett of Eagle Water Management, Inc. ("Operator"); Matthew Carpenter P.E. and Kameron Pugh of IDS Engineering Group ("IDS" or "Engineer"); Katherine Turner and Randy Fields of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); Andrew Dunn of On-Site Protection, LLC ("On-Site"); Lieutenant Jolly and Sergeant Walton 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"). Also present were Sara Burson and Jennifer Smith of Accurate Meter & Supply ("Accurate").

The President called the meeting to order at 12:05 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 Walton presented to and reviewed with the Board the Security Report, a copy of which is attached hereto as Exhibit "A". He reported that the HCCO apprehended two (2) individuals suspected to be responsible for 85 vehicle burglaries in the areas of Tomball and Conroe. Director Lackey commended the HCCO deputies involved in apprehending the two (2) suspects.

Next, Mr. Dunn reviewed the internet performance report for District's facilities, a copy of which is attached to the Security Report.

- III. **General Business.**
 - A. **District's Website.** There were no matters to report.
 - B. **Emergency Operations and repairs to District Facilities.** Mr. Plunkett reported that Water Well No. 6 is back in service.

C. Residential Recycling and Reuse of Texas ("RRRT") Monthly Recycling Report. The Board reviewed the recycling report, a copy of which is attached hereto as Exhibit "B".

D. Reimbursement Audit Report. This matter was tabled until later in the meeting.

IV. **Bookkeeper's Report.** Ms. Fields reviewed the Bookkeeping Report, a copy of which is attached hereto as Exhibit "C". She also reviewed the Investment Report, a copy of which is attached to the Bookkeeper's Report.

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 Bookkeeper's Report and Investment Report; (ii) authorize payment of Check Nos. 13887 to 13972 from the Operating Fund, and (iii) authorize payment of Check No. 1675 from the Capital Projects Fund.

V. **Engineer's Report.** Mr. Carpenter reported that the application to the Texas Commission on Environmental Quality (the "Commission") for release of surplus funds to finance construction costs, developer costs, and developer interest associated with Willow Falls Sections 4 and 5, Willow Falls- Boudreaux Road drainage facilities; and utilities to serve the HMT commercial reserve has been submitted. The District should receive a response from the Commission any day now. Mr. Carpenter then discussed the draft Audit Reimbursement Report, stating that the Auditor has concluded that the amount due to WF Residential, Ltd. for the Willow Falls development amounts to \$558,706.08 with interest. Mr. Carpenter asked the Board to approve the reimbursement to WF Residential, Ltd., in the amount not to exceed \$558,706.08, subject to receiving the approval letter from the Commission.

Upon motion by Director Cook, seconded by Director Dunn, after full discussion and with all Directors present voting aye, the Board (i) approved the draft Audit Reimbursement report, a copy of which is attached hereto as Exhibit "D"; and (ii) authorized release of the reimbursement funds to WF Residential, Ltd, in the amount not to exceed \$558,706.08, subject to receiving the approval letter from the Commission.

VI. **Developer's Report.** There was no report.

VII. **Other matters.** The President recognized Ms. Burson and Ms. Smith who conducted the training session related to the ten (10) automatic meter readers which have been installed in the District.

VIII. **Attorney's Report.**

A. **Minutes of December 3, 2015 Board meeting.** 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 December 3, 2015 Board meeting, as amended.

IX. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 1:25 p.m.

Passed and approved this 7th day of January, 2016.



Secretary, Board of Directors

Exhibits:

- "A" Security Report
- "B" Recycling Report
- "C" Bookkeeper's Report
- "D" Draft Reimbursement Audit Report