

849/6.20

## HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

### Minutes of Meeting Thursday, February 2, 2017

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, February 2, 2017, 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: Kameron Pugh, E.I.T., of IDS Engineering Group ("IDS" or "Engineer"); Mike Plunkett of Eagle Water Management, Inc. ("Eagle" or "Operator"); Kaye Townley of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); and Tyler Scully, attorney, and Mirna Croon, paralegal, of Johnson Petrov LLP ("Attorney").

The President called the meeting to order at 6:34 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. **District's Website.** The District had 79 email subscribers as of February 2, 2017, as reported by the District's website provider, Off Cinco. The Board next discussed website inquiries related to water/sewer service after which the Board requested that a notice be added to the website advising customers to contact Eagle with any questions related to their water/sewer service, meter, or water bill.
  - B. **Pay Bills and Pay Estimates.** There were no pay bills or pay estimates presented.
- III. **Operator's Report.** The President recognized Mr. Plunkett who presented to and reviewed with the Board the Operator's Report, a copy of which is attached hereto as Exhibit "A". Mr. Plunkett noted that the District had 93.6% accountability for the period from December 20, 2016 to January 19, 2017. Mr. Plunkett also noted that during the last month 99.1% of the District's water came from the surface water source with the remainder from the District's groundwater wells. Mr. Plunkett reviewed the Discharge Monitoring Report, a copy of which is attached to the Operator's Report, stating that no excursions had been reported during the previous month.

Mr. Plunkett reported that the Odor Control project at the Wastewater Treatment Plant is nearly complete. The odor control equipment has been installed. Eagle is still waiting to receive a final shipment of appurtenances to complete the project, however, a test run can be scheduled.

Mr. Plunkett then reviewed with the Board the Termination List, a copy of which is attached to the Operator's Report, and affirmed that all Customers on the list were at least sixty (60) days past due and had been notified in writing of their right to attend this meeting to address the Board.

Upon motion by Director Cook, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board (i) authorized termination of service to customers listed on the Termination List, in accordance with provisions of the District's Rate Order; and (ii) approved the Operator's Report as presented.

IV. **Engineer's Report.** Mr. Pugh presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as Exhibit "B".

- A. Northern Point Drainage. Mr. Pugh reported that the preliminary design for the extreme event release swales is nearly complete.
- B. Operations Committee Meeting. The Operations Committee meeting was scheduled for February 20, 2017.
- C. Grand Parkway. Mr. Pugh reported that IDS is awaiting response from ZOPB regarding erosion control for the M122 drainage channel. The District is holding acceptance of the project until a meeting can be scheduled.
- D. Bond Issue No. 13. Mr. Pugh stated that the Bond Application Report ("BAR") has been submitted to the Texas Commission on Environmental Quality (the "Commission") and technical review comments have been received from the Commission. A pre-purchase inspection was held and no deficiencies were noted. IDS is awaiting final approval from TCEQ.
- E. Water Quality Monitoring for Water Wells Nos. 2, 3, 4, 5, and 6. Mr. Pugh reported that the December 2016 laboratory test results for benzene, toluene, ethyl benzene, or xylene (BTEX) in Water Wells Nos. 2, 3, 4, 5, and 6 are non-detect.
- F. Water Plant ("WP") No. 2. Mr. Pugh reported that the construction plans for piping modifications to be able to transfer surface water from WP No. 2 to WP No. 1 are complete. The Operator plans to begin construction after completion of the odor control equipment installation at the Wastewater Treatment Plant.
- G. WP Nos. 1 and 2. The final draft of the water plant valve flow diagram was presented to the Operator at the previous Operations Committee meeting. IDS is working to design flow diagrams for specific operational procedures to accompany the completed diagram.

- H. Water Plant rehabilitation. Mr. Pugh reported that IDS is currently preparing preliminary plans and technical specifications for the GST Rehabilitation at Water Plant No. 2.
- I. Phase 3 Sanitary Sewer Rehabilitation. The cleaning is complete. The contractor is working on point repairs.
- J. WWTP Odor Control. This matter is discussed under the Operator's Report.
- K. Sandy Stream Sewer Capacity Evaluation: Upsize required for Dungrove tract. There were no new matters to report.
- L. Lift Station ("LS") Panel replacements. Mr. Pugh stated that the design for the replacement control panels for Lift Station Nos. 1 and 2 and Stormwater Pump Station No. 1 is nearly complete. IDS is awaiting information from the electrical engineer.
- M. Emergency Generators for LS Nos. 1, 2 and 6. Mr. Pugh reported the two (2) 60kw generators have arrived on site at Lift Station Nos. 1 and 2. The sound enclosure for the 36kw generator is being manufactured and should be complete soon. IDS recommends the Board approve the invoice from the manufacturer Southern Plains in the amount of \$93,072.
- N. LS No. 2 – Sanitary Sewer force main. Mr. Pugh stated that a final walkthrough was held on Tuesday, January 31, 2017. No deficiencies were noted. IDS will issue a letter of substantial completion once the contractor has provided record drawings.
- O. NorthPointe Center – Phase 2 (Santikos). There were no new matters to report.
- P. Adriatic Café (Ekrem & Alban, LLC). There were no new matters to report.
- Q. 136-Acre Finger Tract. The landowners are working with the State to agree upon land value for the condemnation.
- R. Ashford Grove East, Section 2, WS&D Facilities. Mr. Pugh reported that a final walkthrough was held on January 26, 2017. No deficiencies were noted. IDS will issue a letter of substantial completion once the contractor has provided record drawings.
- S. Ashford Grove East, Sanitary Sewer Lift Station. Mr. Pugh reported that the construction is complete; however, operation and maintenance manuals are yet to be approved.

Next, upon motion by Director Cook, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved (i) Southern Plains invoice in the amount of \$93,072 related to the Emergency

Generators for LS Nos. 1 and 2, a copy of which is attached to the Engineer's Report; and (ii) the Engineer's Report.

- V. **Developer's Report.** There was no report presented.
- VI. **Attorney's Report.**
  - A. **Agreement for Fence Maintenance with Willow Falls Community Association.** Mr. Scully stated that a response letter was sent to the Association as discussed at the previous Board meeting. A copy of the letter is attached hereto as Exhibit "C". No response has been received at this time.
  - B. **Approval of minutes of the January 19, 2017 Board meeting.** Upon motion by Director Dunn, seconded by Director Bishop, after full discussion and with all Directors present voting aye, the Board approved the minutes of the January 19, 2017 meeting as amended.
- VII. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 7:15 p.m.

Passed and approved this 16<sup>th</sup> day of February, 2017.



Sharon Cook  
Secretary, Board of Directors

**Exhibits:**

- "A" – Operator's Report
- "B" – Engineer's Report
- "C" – The Association response letter