

# HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

## Minutes of Meeting Thursday, March 16, 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, March 16, 2017, at the District's regular meeting place, Graceview Baptist Church, 25510 Tomball Parkway, Room AB 110, 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 Bishop, thus constituting a quorum. Consultants in attendance were: Mike Plunkett of Eagle Water Management, Inc. ("Operator"); Kameron Pugh, E.I.T. of IDS Engineering Group ("IDS" or "Engineer"); Kaye Townley of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); Kristen Scott of Bob Leared Interests, Inc. ("Tax Assessor/Collector"); Sergeant Walton of the Harris County Precinct 4 Constable's Office ("HCCO"); Andrew Dunn and Matthew Dunn of On-Site Protection, LLC (the "Security Coordinator"); and Tyler Scully, attorney, and Mirna Croon, paralegal, of Johnson Petrov LLP ("JP" or "Attorney"). Also present was Ricky Layton, a resident of the District.

The President called the meeting to order at 6:43 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".

Mr. A. Dunn reviewed the internet performance report for District facilities, a copy of which is attached hereto as Exhibit "A-1".

- 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 Electrical Field Services is in the process of installing the flow meter transmitters at the Wastewater Treatment Plant.

Mr. Plunkett also reported that the digest aeration basin at the Wastewater Treatment Plant will be cleaned next week. The valve on the digester will need to be excavated and repaired.

Director Lackey presented a proposal from PowerTherm Co., Inc. for the generator repair at Sanitary Lift Station No. 6 at a cost of \$1,141, a copy of which is attached hereto as Exhibit "A".

Upon motion by Director Daniel, seconded by Director Cook, after full discussion and with all Directors present voting aye, the Board approved the PowerTherm Co., Inc. proposal at a cost of \$1,141.

- C. Residential Recycling and Refuse of Texas ("RRRT") Monthly Recycling Report.  
There was no report.

IV. Tax Assessor/Collector's Report. Ms. Scott reviewed the Tax Assessor/Collector's Report for the month of February 2017, a copy of which is attached hereto as Exhibit "B". Ms. Scott reported that 96.790% of the District's 2016 tax levy had been collected as of February 28, 2017.

[Director Dunn stepped out of the meeting]

Ms. Scott reported that the estimated taxable value of the District as of January 1, 2017 is \$663,861,611.

Next, upon motion by Director Cook, seconded by Director Daniel, after full discussion and with all Directors present voting aye, the Board: (i) approved the Tax Assessor/Collector's Report.

[Director Dunn entered the meeting.]

V. Bookkeeper's Report. Ms. Turner reviewed the Bookkeeping Report, a copy of which is attached hereto as Exhibit "C".

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; (ii) void Check No. 15113 to Director Bishop for the fees of office; (iii) authorize payment of Check Nos. 15099 through 15173 from the Operating Fund; and (iv) authorize payment of Check No. 1686 from the Capital Projects Fund.

VI. Engineer's Report. Mr. Pugh reviewed the Engineer's Report, a copy of which is attached hereto as Exhibit "D". He reported that the construction plans for extreme event swales to serve Northern Point are complete. Harris County Flood Control District has agreed to meet with IDS regarding the proposed design changes, which may impact HCFCD Channel M122. Representatives of the Harris County Engineering Department will also be in attendance. IDS is in the process of setting a date for the meeting.

Mr. Pugh next reported that an inspection of the 36kw generator for Lift Station No. 6 was held in Denison, Texas on March 6, 2017. The generator was found to be acceptable, with a few minor punchlist items which have been addressed. IDS is coordinating with Electrical Field Services and Cummins to have the generator shipped and installed at the Lift Station site.

VII. **Other matters.** Mr. Plunkett informed the Board that the North Harris County Regional Water Authority ("Authority") adopted an increase of the current well pumpage fee from \$2.40 per 1000 gallons to \$2.90 per 1000 gallons, and an increase in the cost of surface water from \$2.85 per 1000 gallons to \$3.35 per 1000 gallons, effective April 1, 2017. The Board asked that a notification regarding the Authority's water rate increase be included with the next water bills and posted on the District's website.

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

IX. **Attorney's Report:**

A. **Correspondence to Zachry-Odebrecht Parkway Builders ("ZOPB").** Mr. Scully distributed draft correspondence to ZOPB related to the District's refusal to accept the Grand Parkway project as complete. Mr. Scully stated that it appears that ZOPB is not registered with the Texas Secretary of State as a business, thus JP will need to do additional research to locate the delivery address.

B. **Minutes of March 2, 2017 Board meeting.** Next, 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 2, 2017 meeting as amended.

X. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 7:55 p.m.

Passed and approved this 6<sup>th</sup> day of April, 2017.

  
Secretary, Board of Directors

**Exhibits:**

- "A" Security Report
- "A-1" Internet Performance report
- "B" Tax Collector Report
- "C" Bookkeeper Report
- "D" Engineer's Report.