

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

Minutes of Meeting Thursday, April 20, 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, April 20, 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, 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"); Katherine Turner 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"); Matthew Dunn of On-Site Protection, LLC (the "Security Coordinator"); and Andrew P. Johnson, III, attorney, and Mirna Croon, paralegal, of Johnson Petrov LLP ("JP" or "Attorney").

The President called the meeting to order at 6:45 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. 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 the valve at the south clarifier at the Wastewater Treatment Plant will need to be replaced. The clarifier will be taken down in order to inspect and replace the valve.

Mr. Plunkett next reported that 450 smart meters have been installed in the District. The remaining meters will be installed in the next 12 to 18 months. Mr. Plunkett stated that residents are notified that the meter has been installed and entered into the system by a notice placed on a front door. Mr. Plunkett stated that information related to the status of the smart meter installation will be prepared and posted on the website.

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

IV. Tax Assessor/Collector's Report. Ms. Scott reviewed the Tax Assessor/Collector's Report for the month of March 2017, a copy of which is attached hereto as Exhibit "C". Ms. Scott reported that 98.259% of the District's 2016 tax levy had been collected as of March 31, 2017.

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 check nos. 1239 through 1242.

V. Bookkeeper's Report. Ms. Turner 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, 2018, a copy of which is attached to the Bookkeeping Report.

Next, upon motion by Director Dunn, seconded by Director Cook, 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. 15174 through 15252 from the Operating Fund; and (ii) authorize payment of Check No. 1687 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 "E". He reported that the construction plans for extreme event swales are being reviewed by Harris County. IDS will solicit bids for the project as soon as the plans are approved by Harris County.

Mr. Pugh next reported that the piping modifications at Water Plant ("WP") No. 2 are complete. The electrical engineering consultant is currently working on plans for the electrical modifications to transfer surface water to WP No. 1.

Mr. Pugh updated the Board regarding the Wastewater Treatment Plant ("WWTP") odor control project stating that the odor control system is operational. A meeting was held with the Operator, Director Lackey, and the electrical engineer on April 11, 2017 where a decision was made to engage the electrical engineering consultant to produce plans for the installation of electrical equipment included in the proposed design. The electrical plans should be complete by the next meeting.

Mr. Pugh next reported that a developer may be interested in purchasing a smaller tract located between the Santikos movie theatre and Texas Roadhouse.

Upon motion by Director Cook, seconded by Director Lackey, after full discussion and with all Directors present voting aye, the Board approved the Engineer's Report.

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

VIII. **Attorney's Report:**

A. Unlimited Tax Refunding Bonds, Series 2017 (the "Bonds"). Mr. Johnson stated that the interest rates have declined and the Financial Advisor is planning to price the Bonds after May 1, 2017.

B. Minutes of April 6, 2017 Board meeting. Next, upon motion by Director Cook, seconded by Director Dunn, after full discussion and with all Directors present voting aye, the Board approved the minutes of the April 6, 2017 meeting as amended.

IX. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 7:50 p.m.

Passed and approved this 4th day of May, 2017.


Secretary, Board of Directors

Exhibits:

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