

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 368

Minutes of Meeting Thursday, June 16, 2016

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, June 16, 2016, 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"); Kaye Townley of Municipal Accounts and Consulting, L.P. ("MAC" or "Bookkeeper"); Kristen Scott of Bob Leared Interests Inc. ("Tax Assessor/Collector"); Corporal Thomason, Sergeant Walton, and Deputy Davis of the Harris County Precinct 4 Constable's Office ("HCCO"); Matthew Dunn of On-Site Protection, LLC (the "Security Coordinator"); Tyler Scully, attorney, and Mirna Croon, paralegal, of Johnson Petrov LLP ("JP" or "Attorney"); and Howard and Prudence Horvath, residents of the District.

The President called the meeting to order at 6:41 p.m. and in accordance with the notice posted pursuant to law, the following business was transacted:

I. **Public Comment.** The President recognized Mr. Horvath who first stated that he received the \$400 bill for the construction debris clean up and demanded to know why he was charged that amount. Director Lackey stated that as explained in previous conversations, as a result of the wrongful disposal of construction debris, the District incurred cleanup costs in the amount of \$400. The District would like to be reimbursed for the costs incurred. Discussion ensued after which Ms. Horvath explained that their contractor disposed the debris over the fence without their knowledge. She stated that they cannot afford a payment plan of \$100 per month and asked if the Board would accept a payment plan of \$35 per month.

Upon motion by Director Bishop, seconded by Director Cook, after full discussion and with all Directors present voting aye, the Board approved the payment plan of \$35 per month.

[Mr. and Mrs. Horvath departed the meeting.]

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". Mr. Dunn next reviewed an On-Site proposal for the electronic security installation and monthly Verizon data access for District facilities, a copy of which is attached hereto as Exhibit "B". It was noted that the phone/data costs currently provided by Comcast, shall decrease from \$183 to \$88 per site.

Upon motion by Director Cook, seconded by Director Lackey, after full discussion and with Director Dunn abstaining, the Board approved the Verizon phone/data connection proposal from On-Site at a cost of \$7,184.24, subject to receiving Form 1295.

III. **General Business.**

- A. District's Website. There were no matters to report.
- B. Emergency notifications. This matter was tabled.
- C. Verizon/Comcast proposal. This matter was discussed under the Security Report.
- D. 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 "C". Director Dunn stated that according to RRRT, the recycling rate has decreased since large trash containers have been provided by Best Trash.
- E. Emergency Operations and repairs to District Facilities. There were no emergency repairs in the District.
- F. Security System proposals. This matter was tabled until a future Board meeting.
- G. Order Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Issuance of Bonds ("Order"). Upon motion by Director Cook, seconded by Director Dunn, after full discussion and with all Directors present voting aye, the Board approved the Order.

IV. **Tax Assessor/Collector's Report.** Ms. Scott reviewed the Tax Assessor/Collector's Report for the month of May 2016, a copy of which is attached hereto as Exhibit "D". Ms. Scott reported that 99.090% of the District's 2015 tax levy had been collected as of May 31, 2016.

Ms. Scott reported that the Harris County Appraisal District has assessed preliminary value of the property within the District at \$644.9 million (which includes \$11.8 million in personal property) without protests.

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 checks numbered 1179 through 1183 from the Tax Account.

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

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) authorize payment of Check Nos. 14355 through 14442 from the Operating Fund; and (iii) authorize payment of Check No. 1681 from the Capital Projects Fund.

VI. **Engineer's Report.** Mr. Carpenter reported that IDS is in the process of evaluating which areas in the Northern Point subdivision have most ponding. Mr. Carpenter discussed possible options for improving drainage in the Northern Point subdivision.

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

VIII. **Attorney's Report:**

A. **Minutes of June 2, 2016 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 June 2, 2016 Board meetings, as amended.

IX. **Adjournment.** With no additional matters before the Board, the Board adjourned the meeting at 7:57 p.m.

[EXECUTION PAGE FOLLOWS]

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



Allison V. Dunn
Secretary, Board of Directors

Exhibits:

- "A" Security Report
- "A-1" Internet Performance report
- "B" On-Site proposal
- "C" Recycling Report
- "D" Tax Assessor/Collector's Report
- "E" Bookkeeper's Report