

MINUTES OF SPECIAL MEETING
NORTHAMPTON MUNICIPAL UTILITY DISTRICT
HARRIS COUNTY, TEXAS

June 1, 2015

THE STATE OF TEXAS §
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COUNTY OF HARRIS §

The Board of Directors (the "Board") of Northampton Municipal Utility District (the "District") of Harris County, Texas, met in special session, open to the public, at 7:00 p.m., on the 1st day of June, 2015, at the regular meeting place thereof, the Northampton Center, 6012 Root Road, Spring, Texas, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

E. C. Thomas	President
Bill Black	1st Vice President
W. Paul Schneider	2nd Vice President
Vacant	Secretary
Roger A. Flood, III	Treasurer/Investment Officer

All members of the Board were present, thus constituting a quorum. Also present were Mr. Harry Peyton of AquaSurance, L.L.C., the District's Insurance Broker; Mr. Jim Sheffield, the District's General Manager; Mr. Robb Clarke of Hays Utility South Corporation, the District's Operator; Mr. Josh Lee and Ms. Sherry Grant of Jones & Carter, Inc., the District's Engineer; and Mr. John R. Wallace, of Bacon & Wallace, L.L.P., the District's Attorney.

WHEREUPON, following a notation that notices of the meeting had been duly posted in accordance with law, copies of which are attached hereto as exhibits, the meeting was called to order.

PUBLIC COMMENTS

There were no comments from the public.

APPOINTMENT OF DIRECTOR

It was noted one candidate for Director is under consideration. The Board determined to table this matter at this time.

INSURANCE RENEWAL PROPOSAL

Harry Peyton addressed the Board and presented a proposal to renew the District's insurance coverage through AquaSurance, L.L.C. A copy of the proposal will be filed in the

District's permanent records. Following review, upon motion duly made and seconded, the Board voted unanimously to approve the insurance proposal as presented.

ANNUAL FACILITIES INSPECTION

Josh Lee presented and reviewed with the Board the District's Annual Facilities Inspection Report. He noted the report includes the 10-year Capital Improvement Plan. A discussion ensued among the Board. Mr. Sheffield agreed to trim the trees and install a light at the Kingcrest Lift Station. Two Directors were appointed to review the District's Annual Facilities Inspection Report and tour the facilities on Wednesday, June 10, 2015, at 9:00 a.m. with the Engineers and Mr. Sheffield.

SIDEWALK MAINTENANCE

John Wallace informed the Board Klein Independent School District ("KISD") has requested that the District enter into a maintenance agreement with Harris County to maintain the sidewalks serving the new French Elementary School. Mr. Lee then reviewed with the Board the school zoning map. Mr. Sheffield noted these are the sidewalks on W. Rayford Road and Northcrest, and it appears part of the Northcrest sidewalk is located within Oakmont Public Utility District. Mr. Wallace agreed to resolve this with KISD's engineer.

ANNEXATION OF 23 ACRES

Mr. Wallace next presented for Board approval an Annexation and Development Agreement with Jorge Canavanti. Following review and discussion, upon motion duly made and seconded, the Board voted unanimously to approve the Annexation and Development Agreement with Jorge Canavanti.

DEVELOPMENT FINANCING AGREEMENT

Mr. Wallace then presented and reviewed with the Board the Development Financing Agreement and Utility Commitment with Terraventura Developments, LLC. Upon motion duly made and seconded, the Board voted unanimously to approve the Development Financing Agreement and Utility Commitment with Terraventura Developments, LLC as presented.

ROAD MAINTENANCE AGREEMENT

Mr. Wallace presented and reviewed with the Board the Road Maintenance Agreement with DR Horton and Harris County. He informed the Board this agreement will take a lot of work. Mr. Wallace noted the revisions are extensive, and he proposed to proceed on a take it or leave it basis. He stated the Board will need to consider whether to require an agreement with the Homeowners Association ("HOA"). Mr. Wallace informed the Board the agreement with Harris County is not assignable. He proposed asking for a financial guarantee from the HOA. Following discussion, the Board authorized Mr. Wallace to present the revised agreement to Harris County and see if they will accept the District's proposed changes.

WATER PLANT NO. 3

Mr. Wallace informed the Board the closing for the Water Plant No. 3 site will take place on Friday, June 5, 2015. Following review and discussion, the Board voted unanimously to adopt a Certificate of Board Action authorizing the Attorneys to execute all documents on behalf of the District.

DEVELOPER LETTERS OF CREDIT

Mr. Wallace next discussed the status of the District's Letters of Credit ("LOC") for the Wastewater Treatment Plant expansion. He stated DR Horton is cancelling it's LOC and paying cash going forward. Mr. Wallace reported Mr. Frenchak's LOC is being drawn down in total.

GENERAL MANAGER'S REPORT

Jim Sheffield reported 2,500 people attended the recent neighborhood swim meet.

There being no further business to come before the Board, the meeting was adjourned.




Secretary, Board of Directors