

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

July 17, 2017

THE STATE OF TEXAS    §  
                                  §  
COUNTY OF HARRIS    §

The Board of Directors (the "Board") of Northampton Municipal Utility District (the "District") of Harris County, Texas, met in regular session, open to the public, at 7:00 p.m., on the 17<sup>th</sup> day of July, 2017 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
Vacant	1st Vice President
W. Paul Schneider	2nd Vice President
Scott Kirkpatrick	Secretary
Roger A. Flood, III	Treasurer

All members of the Board were present, thus constituting a quorum.

Also present were Ms. Cindy Schmidt of L&S District Services, LLC, the District's Bookkeeper; Ms. Esther Flores of Tax Tech, Inc., the District's Tax Assessor/Collector; Mr. Robb Clark of Hays Utility South Corporation, the District's Operator; Mr. Jim Sheffield, the District's General Manager; Mr. Joshua Lee, P.E. and Ms. Sherry Grant, P.E. of Jones & Carter, Inc., the District's Engineer; Ms. Lisa June and Mr. Al Peters, employees of the District; Mr. Danny Pereyra of Environmental Allies, the District's Mowing/Detention Contractor; Ms. Chris Gause, Mr. Bill Gause, Mr. Ryan Bennett, and Mr. Mark Hemann, residents of the District; Mr. Taysir Yassien of D.R. Horton; Mr. Bryan Frenchak of Maverick Development; and Mr. John 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. At this time, the pledge of allegiance and an invocation were held.

COMMENTS FROM THE PUBLIC

There were no public comments.

BRYAN FRENCHAK

Mr. Bryan Frenchak of Maverick Development addressed the Board regarding property located on Gosling Road near Rayford Rd. He stated he had purchased approximately 44 additional acres and is in talks with retail and independent living groups about development. He pointed out that he has a long history with the District. He stated he had sold property to Spring Creek Greenway and owns an additional tract that is not in the District where nine buildings will be developed as office and retail units.

Mr. Frenchak stated this property backs up to Inway Oaks and he may negotiate with the Inway Oaks developer to provide an alternate entrance to the subdivision. He noted he would like to obtain a backup fire loop tap. Mr. Lee stated that once D.R. Horton begins construction in the new Hampton Creek Section 8, Mr. Frenchak could tie in a line across the street.

Director Thomas recalled that Mr. Frenchak sold land to Mr. Chang without contacting the District and has continued development without becoming part of the District. He noted it seemed odd that the property wasn't annexed. He also noted he wasn't sure if this was in the District's best interest as the District would not have the ability to set fees or taxes.

Mr. Frenchak said it was strictly a business decision to utilize private utilities and reminded the Board he had put up money with the District for Wastewater Treatment Plant capacity to serve 33 acres. Director Thomas said the easiest way to obtain service would be to annex the tract. He stated Mr. Frenchak was free to bring a proposal to the Board for consideration.

#### APPOINTMENT OF NEW DIRECTOR

Two candidates, Ryan Bennett and Mark Hemann, submitted their resumes to the Board to be considered for appointment as Director to fill the vacancy on the Board. The Board reviewed the resumes and voted via secret ballot. Upon motion duly made and seconded, the Board voted three to one to appoint Ryan Bennett as a Director. Director Bennett executed his Statement of Elected Officer and took his Oath of Office, copies of which are attached hereto as exhibits. Upon motion duly made and seconded, the Board voted unanimously to approve the Oath and Statement.

#### RECONSTITUTION OF BOARD

Upon motion duly made and seconded, the Board voted unanimously to reconstitute the Board of Directors as follows:

E. C. Thomas	President
W. Paul Schneider	1st Vice President
Ryan Bennett	2nd Vice President
Scott Kirkpatrick	Secretary
Roger A. Flood III	Treasurer/Investment Officer

#### APPROVAL OF MINUTES

Minutes of the meeting of the Board of Directors held on June 19, 2017 were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve the minutes as amended.

#### TAX ASSESSOR/COLLECTOR'S REPORT

Esther Flores presented the Tax Assessor/Collector's Report, a copy of which is attached hereto as an exhibit. She reported the District had collected 97.58% of the District's 2016 tax levy as of June 30, 2017.

Ms. Flores stated she had turned over the delinquent account information to Purdue Brandon Fielder Collins and Mott, LLP. Upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report as presented.

### BOOKKEEPER'S REPORT

Cindy Schmidt presented and reviewed the Bookkeeper's Report, a copy of which is attached hereto as an exhibit. She reviewed the sixth month of the year-to-date budget. Ms. Schmidt stated she continues to track spending of the balance of park bond funds which should be complete soon. She stated she was unsure about the funding for the Northcrest bathrooms. Mr. Sheffield stated the plans were complete, but the project could be postponed until funds become available.

Ms. Schmidt next presented the Investment Report, a copy of which is attached hereto as an exhibit. Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, the Investment Report, and payment of the checks as presented.

### OPERATOR'S REPORT

Robb Clark presented the Operator's Report, a copy of which is attached hereto as an exhibit. Mr. Clark stated the District's water accountability rate for the previous month was 92% and there were no permit excursions at the Wastewater Treatment Plant. Upon motion duly made and seconded, the Board voted unanimously to approve the Operator's Report.

### INTERLOCAL AGREEMENT

Robb Clark presented the Harris-Galveston Subsidence District's Interlocal Agreement for the Water Wise Program for the 2017-2018 school year and noted the cost per student sponsored was \$36.46. Upon motion duly made and seconded, the Board voted unanimously to approve the agreement.

### GENERATOR AT WATER PLANT NO. 1

Mr. Sheffield asked for a list of people who maintain the Water Plant No. 1 generator and asked that contact information be posted on the generator. He also asked for a meeting and requested a report detailing any work performed on the generator. He stated he felt like the generator was in good shape now.

### ENGINEER'S REPORT

Josh Lee reviewed the Engineer's Report, a copy of which is attached hereto as an exhibit. Mr. Lee stated the plans for Water Plant No. 3 had been re-submitted to Harris County, the plat was ready to be recorded, and he would proceed to bidding the project after recording.

Mr. Lee presented the contracts between the District and Black Castle General Contractor for the Root Road, Kingscrest, and Bridgeway Lift Station Rehabilitations project. Upon motion duly made and seconded, the Board voted unanimously to execute the contracts.

Mr. Lee stated that the Engineer had requested effluent analysis from the District's Operator and expected to have a draft of the TPDES discharge permit application ready for review in August 2017.

Mr. Lee next discussed the status of the proposed Defined Area bond issue. He stated the Engineer had received D.R. Horton's updated cost summary of about \$1,740,000. He recommended moving forward with a \$1,740,000 road bond issue. He mentioned it does not require approval of the Texas Commission on Environmental Quality ("TCEQ"). He discussed the remaining paving to be financed in Hampton Creek. The Board's preference was to wait until the paving was complete and conduct one bond issue. Mr. Yassien with D. R. Horton requested that the District proceed with a road bond issue. Mr. Lee stated he would look into the paving which remained to be financed and confer with the District's Financial Advisor.

Mr. Lee reported he had sent reminder emails and would continue to follow up with Harris County Precinct 4 and Harris County Flood Control District regarding an Interlocal Agreement for storm and surface water issues. Mr. Sheffield noted the affected residents were calling the District office every day.

Mr. Lee stated he and the District's General Manager had scheduled a meeting with Mike Wilkinson, developer of the Inway Oaks Estates subdivision, to discuss obtaining an access easement to connect Northampton's trail system through his development.

Mr. Lee then presented Pay Estimate No. 1 in the amount of \$63,807.21 and Pay Estimate No. 2 in the amount of \$100,057.68 to McDonald Municipal and Industrial, Inc. for the Hampton Creek Lift Station project. Upon motion duly made and seconded, the Board voted unanimously to approve the Pay Estimates as presented.

Mr. Lee stated that D.R. Horton-Texas, Ltd. awarded the contract for the Water, Sanitary, Force Main and Drainage for Hampton Creek Section 8 to Clearwater Utilities, Inc. with a base low bid in the amount of \$848,144.65. Upon motion duly made and seconded, the Board voted unanimously to approve award of the contract by D.R. Horton-Texas, Ltd.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report as presented.

#### DETENTION PONDS-HAMPTON CREEK

Mr. Lee reported that he, Director Kirkpatrick, Director Flood, and a representative of Environmental Allies met for a walk-through inspection of the Phase 1 Detention Pond and Stormwater Quality Pond on July 14, 2017. They discovered three or four punchlist items such as debris in the pilot channel, one sink hole, and a couple of trees to be removed. They also asked for trash removal in the general area of the ponds.

Mr. Lee stated that a 60' wide access/parking easement was needed to be conveyed by D.R. Horton to the District. Mr. Lee stated he had been coordinating conveyance deeds, a detention pond maintenance agreement between D.R. Horton and the District, the parking area easement, and a proposal with Environmental Allies for maintenance of two Phase 1 ponds.

The Board reviewed the proposal. The maintenance was budgeted at \$27,618 and the proposal was under \$20,000 plus additional as-needed work. The Board agreed the consultants could move forward with this proposal.

ATTORNEY'S REPORT

Mr. Wallace stated the Terra-Gosling 2.69 acre annexation was pending the Affidavit of No Residents and the KAC Properties annexation was on hold at the request of the developer.

GENERAL MANAGER'S REPORT

Mr. Sheffield informed the Board that a new gazebo at the Northcrest Park pool was operational, the deck resurfacing at Inway had just begun and would take about four weeks to complete. He stated that at the next recreational Board meeting he planned to discuss all pending matters toward formulating a park plan going forward.

Ms. June stated that results of the parks and recreation facility survey were available. She reported receiving 255 responses which represented approximately 13% of District residents. She noted that 64% responded online and 37% responded via hard copy.

Upon motion duly made and seconded, the Board voted unanimously to approve the General Manager's Report as presented.

OTHER MATTERS

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



  
Secretary, Board of Directors