

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

February 5, 2018

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 5th day of February 2018 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
W. Paul Schneider	1st Vice President
Ryan Bennett	2nd Vice President
Scott Kirkpatrick	Secretary
Roger A. Flood III	Treasurer/Investment Officer

All members of the Board were present, with the exception of Director Schneider, thus constituting a quorum.

Also present were Mr. Jim Sheffield, the District's General Manager; Ms. Lisa June, and Messrs. Al Peters, employees of the District; Mr. Danny Pereyra of Environmental Allies, the District's Mowing/Detention Contractor; Mr. Joshua Lee, P.E. and Ms. Sherry Grant, P.E. of Jones & Carter, Inc., the District's Engineer; and Mr. John R. Wallace of Bacon & Wallace, LLP, 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 public comments.

GENERAL MANAGER'S REPORT

Jim Sheffield presented and reviewed the implementation of the master plan for parks and amenities, a copy of which is attached hereto as an exhibit. He informed the Board that the project timelines had been separated by quarters, and the bathroom project and lake expansion had been moved to September. Mr. Sheffield informed the Board that the two summer kitchen projects were 75% completed. With regard to Westpark, he informed the Board that there were many proposed improvements. He informed the Board that the owner had been approached again regarding the print shop, and he said options had been reviewed to construct a sewer line in the area for the

restroom project, weight room expansion or new weight room. Mr. Sheffield recommended the Board consider a new weight room. A discussion ensued among the Board regarding the projects for the first quarter of 2018. Upon motion duly made and seconded the Board voted unanimously to approve the park plans project for the first and second quarters of 2018.

Mr. Sheffield next recommended planning ahead for the third and fourth quarters because advance time was needed to order materials. The Board next discussed the Nerren tract near Inway Park, and the Board determined no discussions were underway at this point.

DETENTION POND CONVEYANCE AGREEMENTS WITH MRE, LLC AND INWAY OAKS

Josh Lee discussed the conveyance of the 7.62 acres tract from MRE, LLC for the detention ponds, and he informed the Board that the ponds had been cleaned. Mr. Wallace said he had received the signed deed from MRE, LLC; although, he had not received the signed deed from Mr. Nerren. He informed the Board that Mr. Nerren had requested a meeting with the Engineer to review the detention pond capacity and utility commitment before executing the deed. Mr. Lee and Mr. Nerren would meet next week. The Board next reviewed updated photos of the detention pond, a copy of which is attached hereto as an exhibit.

Mr. Lee reported that an inspection had been performed on the pond and there were items that needed to be addressed. A discussion ensued among the Board. The Board next tabled the item until Inway Oaks signed the deed and all of the punch list items had been addressed with the Engineer. Mr. Lee informed the Board that the pond was in good operating condition.

MATTERS RELATED TO THE MAY 2018 DIRECTORS ELECTION

John Wallace discussed the May 5, 2018 Directors Election with the Board. He informed the Board that February 16, 2018 was the deadline for candidates to submit their application for a place on the ballot. Mr. Wallace stated once the deadline passed the District would know if there would be a contested election. He informed the Board that he would ask Rudy Gonzalez to be an election judge if needed.

Mr. Wallace next presented the Order Calling Directors Election, a copy of which is attached hereto as an exhibit. Upon motion duly made and seconded, the Board voted unanimously to approve the Order Calling Directors Election.

AMENDMENT TO ENVIRONMENTAL ALLIES CONTRACT

The matter was tabled.

RESIDENTIAL RECYCLING & REFUSE OF TEXAS FEE INCREASE

Mr. Sheffield presented the Residential and Refuse of Texas Collection Amendment, a copy of which is attached hereto as an exhibit. A discussion ensued among the Board. Upon motion duly made and seconded, the Board voted 3-1 (Director Kirkpatrick voted against the increase) to approve the \$0.60 fee increase per active residential water connection. The Board next agreed that a rebate was needed for the missed garbage pick-up.

ENGINEER'S REPORT

Joshua Lee informed the Board that no bids had been received yet for the Willow Creek Sewer Line Crossing project; although, the bid opening was February 2, 2018. He reported that the contractors had been contacted to determine why they had not submitted their bids, and he learned that the contractors were busy preparing bids for larger projects. Mr. Lee then reported that a few contractors had committed to submitting a bid if the District re-bid the project. He informed the Board that the bid date was extended to February 9, 2018 and he would bring the bids to the February 19, 2018 meeting for Board consideration.

Mr. Lee next reported that he had received bids for the Water Plant No 3 and elevated storage tank project on January 30, 2018. He stated four contractors had submitted bids, and the lowest bid was \$5,161,850.00 from Principal Plant Services. Mr. Lee informed the Board that he had worked with the contractor before; however, he stated the contractor had not worked with Jones & Carter on any water plant facility projects; although, he noted that he had worked with the contractor in a project manager role on another water plant project when he worked with a previous construction company. Mr. Lee stated the contractor references were positive. He informed the Board that the bid amounts were more than the previous engineering estimate and the funds that were available from the bond issue. A discussion ensued among the Board regarding the items that could be removed from the project. Mr. Lee informed the Board that he had discussed the numbers with the Bookkeeper, and he noted she was comfortable with the budget shortfall being funded from the Operating Fund account. The Board next discussed the generator options and decided to install a natural gas generator. The Board noted that the natural gas generator was an alternative to A2, and CenterPoint could be paid to extend the natural gas line to the site. After further discussion by the Board and upon motion duly made and seconded, the Board voted unanimously to award the contract to Principal Plant Services on the basis that the bid included the alternative A2 in the amount of \$5,324,350.

APPROVAL OF MINUTES

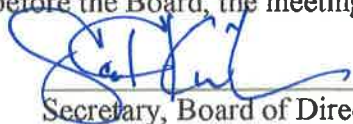
Minutes for the meeting of the Board of Directors held on January 11, 2018 were presented for review and approval. Following review, upon motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

OTHER MATTERS

Director Kirkpatrick informed the Board that a resident had inquired if there had been any further discussion concerning the interconnect with Sterling Ridge subdivision in the event of any residential fires. Mr. Sheffield stated he would investigate whether or not a cleanout existed on the line at the west end of Jadecrest.

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




Secretary, Board of Directors