

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

March 19, 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 regular session, open to the public, at 7:00 p.m., on the 19th day of March, 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, 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 and Ms. Michelle Blevins of Hays Utility South Corporation, the District's Operator; Mr. Jim Sheffield, the District's General Manager; Ms. Lisa June, employee of the District; Mr. Joshua Lee, P.E. and Ms. Sherry Grant, P.E., of Jones & Carter, Inc., the District's Engineer; Mr. Bill Gause, Ms. Chris Gause, and Ms. Caro Landers, residents of the District; 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 led by Director Thomas.

APPROVAL OF MINUTES

Minutes of the meeting of the Board of Directors held on February 19, 2018 and March 5, 2018 were presented for review and approval. Upon motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

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 92.96% of the District's 2017 tax levy to date. She stated \$380,000 had been transferred to the Debt Service Fund and other wires were still being reviewed. She stated that delinquent tax statements were mailed to customers in February. Ms. Flores reported total taxes receivable in the amount of \$360,610.67.

Ms. Flores stated Estimates of Value for the District and for the Defined Area had been requested from the Harris County Appraisal District and were in process. Upon motion duly made and seconded, the Board voted unanimously to ratify Resolutions Requesting Estimate of Value From the Harris County Appraisal District for the District and the Defined Area, copies of which are attached hereto as exhibits.

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 amended year-to-date budget. Upon motion duly made and seconded, the Board voted unanimously to approve the amended budget.

Ms. Schmidt next reviewed 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, Investment Report, and payment of the checks as presented.

OPERATOR'S REPORT

Michelle Blevins presented the Operator's Report, a copy of which is attached hereto as an exhibit. Ms. Blevins stated the District's water accountability rate for the previous month was 90.75%, and there were no excursions at the Wastewater Treatment Plant in February. She stated the Operator had been looking for water accountability issues. She said that 600,000 to 700,000 gallons of water had been used to fill the ground storage tank. Ms. Blevins reported the hydrotank valve had broken during the freeze and a 2" blow-off broke in Hampton Creek.

The Board of Directors noted it wanted to be able to charge contractors for lost water. Mr. Wallace stated this was already a provision of the Rate Order. Mr. Clark stated he would proceed to bill the contractor for the lost water.

Ms. Blevins stated that the District had sent an invoice to Oakmont Public Utility District for interconnect use. She recommended to install Smart Meters for the Maintenance Fund esplanades. Ms. Blevins discussed the need for better coordination with the Maintenance Fund and the landscape contractors. Upon motion duly made and seconded, the Board voted unanimously to approve installation of Smart Meters in the esplanades.

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

RIGHT-OF-WAY DEDICATION REQUEST

Mr. Wallace stated that regarding the Water Plant No. 3 (“WP3”) right-of-way, he found no provisions in agreements with Bryan Frenchak that would require release of right-of-way or changing of the WP3 access.

ENGINEER’S REPORT

Josh Lee stated a preconstruction meeting for WP3 had been held and construction should begin within 30 days, the access road will be constructed earlier, and he would notify Mr. Frenchak.

Sherry Grant reviewed the Engineer’s Report, a copy of which is attached hereto as an exhibit. Ms. Grant stated Black Castle General Contractor continues to work on the 2017 Root Road, Kingscrest, and Bridgeway Lift Station rehabilitations project. They have a substantial completion date of April 27, 2018 and a final completion date of May 27, 2018.

Ms. Grant stated that representatives of Harris County and Harris County Flood Control District need to meet with Mr. Wallace to review their Plan of Action regarding storm sewer and drainage repairs within the District. She said that one proposal in the amount of \$3,000 had been received for televising the storm sewer and she would pursue this.

Ms. Grant stated that Environmental Allies was beginning maintenance of the Hampton Creek Phase II pond. She noted the developer was unable to complete punchlist items as the pond was still wet. Ms. Grant stated contracts were ready to be signed with CFG Industries, LLC in the amount of \$34,995 for concrete cap repairs and pipe recoating of the sanitary sewer crossing over Willow Creek. Ms. Grant stated the annual inspection report of the Water Plant indicated repair items totaling approximately \$15,000, and these items would be added to the bid package.

Ms. Grant presented a feasibility study for Umetia, Inc. for service to a 1.32 acre proposed redevelopment of Dave’s Express gas station and retail center, a copy of which is attached hereto as an exhibit. She said the retail center formerly has individually metered spaces, but the redevelopment plan would use one master meter. She stated that ownership of the Lift Station property had not yet been transferred to the District. Upon motion duly made and seconded, the Board voted unanimously to accept the feasibility study.

Ms. Grant reported the Engineer had received a request from Klein Independent School District (“KISD”) to expand water and wastewater capacity for Hildebrandt Intermediate School. They are requesting 4,750 gpd sewer and 5,700 gpd water. Ms. Grant said the Utility Development and Service Agreement between the District and KISD would need to be amended to reference the additional capacity. She recommended amending the commercial and non-profit tap fees as well. It was noted that KISD would need to make a deposit towards the project cost. Upon motion duly made and seconded, the Board voted unanimously to approve moving forward with the capacity expansion plan.

Ms. Grant presented Pay Estimate No. 3 in the amount of \$39,098.70 to Black Castle General Contractor for Root Road, Kingscrest, and Bridgeway Lift Station Rehabilitations and Change Order No. 1 reduction in the amount of \$3,084 for changes to the plans for temporary bypass pumping at the Bridgeway Lift Station. Upon motion duly made and seconded, the

Board voted unanimously to approve the pay estimate and change order as presented.

Ms. Grant stated the Wastewater Treatment Plant had been inspected and the Engineer would prepare the report and present it at the April Board meeting.

Jim Sheffield stated the livestock facility at Klein Oak High School is a large water user. He expressed a need for the District to have their usage evaluated and to have the facility use a separate water meter.

Sherry Grant stated the Engineer had received a service request from Steve Schinzing for a 4.74 acre tract located at 23827 Gosling Road outside the boundaries of the District. Mr. Schinzing said his clients are not yet ready to proceed with a feasibility study, and he will let the Engineers know when they are ready.

Ms. Grant next discussed a request from Robert Miller with Landmark Companies for annexation and service to a 28± acre tract of land west of Gosling Road and South of West Rayford Road for a proposed development of approximately 360 apartment units. Mr. Miller was unable to attend the Board meeting. The Board agreed they want to see his other developments, hear his presentation, and view his site plan. The tract would need to be annexed into the District. Upon motion duly made and seconded, the Board voted unanimously to permit the Engineer to begin a feasibility study for this tract contingent upon receipt of the \$15,000 fee from the developer.

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

ATTORNEY'S REPORT

Mr. Wallace stated the Terra Gosling annexation was still in process at the City of Houston. He presented and reviewed with the Board the Certification of Unopposed Candidates, a copy of which is attached hereto as an exhibit. He then reviewed the Order Declaring Unopposed Candidates Elected to Office and Canceling Election, a copy of which is attached hereto as an Exhibit. Upon motion duly made and seconded, the Board voted unanimously to adopt the Order.

GENERAL MANAGER'S REPORT

Mr. Sheffield stated the West Park restroom was almost complete and the pools were open.

EXECUTIVE SESSION

The Board adjourned at 8:52 p.m. to enter Executive Session to discuss personnel matters and potential litigation. The Executive Session concluded at 9:41 p.m. The Board authorized the Engineers to fast track two storm sewer leads and the Attorney to work on an Interlocal Agreement. The Board authorized Mr. Sheffield to hire a grounds maintenance supervisor subject to drafting a thorough job description.

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




Secretary, Board of Directors