

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

January 21, 2019

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 special session, open to the public, at 7:00 p.m., on the 21st day of January, 2019 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; Mr. Joshua Lee, P.E. and Ms. Kendall Longbotham, of Jones & Carter, Inc., the District’s Engineer; Mr. Bill Gause and Mrs. Chris Gause, residents of the District; 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. At this time, the pledge of allegiance and an invocation was led by Director Thomas.

COMMENTS FROM THE PUBLIC

Mr. Bill Gause reported there was a leak on the west side of Northcrest Dr. Mr. Sheffield said the leak was due to the irrigation system, and he was in contact with Chaparral Management Company regarding this. He said that Northampton Maintenance Fund representatives stated the leak was located in Oakmont PUD. Mr. Sheffield said he had been working to isolate and repair the issue; however, rains have delayed efforts to locate the source. Director Thomas stated he thought it was residual accumulated rain water.

Mr. Gause mentioned a safety concern, noting that a sinkhole had developed at the northeast corner of Northcrest and Auburn Lakes Dr. Mr. Sheffield said he would follow up on the matter.

APPROVE MINUTES

The minutes of the meeting of the Board of Directors held on January 7, 2019 were presented for review and approval. Upon a motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

TAX ASSESSOR/COLLECTOR'S REPORT

Esther Flores presented the Tax Assessor/Collector's Report for December 2018, a copy of which is attached hereto as an exhibit. She reported the District had collected 13.29% of the District's 2018 tax levy as of December 31, 2018 and approximately 70% had been collected to date. She stated tax funds had been transferred to various funds.

Upon motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report as presented, including payment of the listed checks from the tax account.

BOOKKEEPER'S REPORT

Cindy Schmidt presented and reviewed the Bookkeeper's Report, a copy of which is attached hereto as an exhibit. She stated Willow Creek Golf Club still owed the District \$900 from the water reuse negotiations. Josh Lee said the Golf Club may still be interested in pursuing a water reuse agreement.

Ms. Schmidt reviewed the twelfth month of the year-to-date budget and the November and December 2018 Investment Reports, copies of which are attached hereto as exhibits. A discussion ensued regarding the budget and whether various user fees were covering swim team and tennis team costs. It was noted that Director Flood and Mr. Sheffield planned to review this issue in detail during February.

Upon motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, Investment Reports, and payment of the checks as presented.

OPERATOR'S REPORT

Ms. Michelle Belvins presented the Operator's Report, a copy of which is attached hereto as an exhibit. She stated the water accountability rate for the previous month was 97.36%, there were six new taps installed in December, Water Well No. 1 remained out of service, and there were no excursions at the Wastewater Treatment Plant ("WTP") in December.

Ms. Blevins stated Smart Meters were about 94% complete, with 1,860 Smart Meters complete and 181 new taps remaining to be installed.

A discussion ensued regarding access to Water Plant No. 1 and auxillary power. It was determined that a list of issues should be created, communication channels needed improvement, and regular reports provided to the Board.

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

### ENGINEER'S REPORT

Mrs. Kendall Longbotham presented the Engineer's Report, a copy of which is attached hereto as an exhibit:

#### Well No. 1 Rework

Ms. Longbotham stated the screens had been cleaned, the contractor was beginning to install a new pump, and the project was on track to be complete late March 2019. Director Thomas asked what the condition of the screen was and the thickness of the metal. Mr. Lee agreed to check with the contractor for clarification.

#### Water Plant No. 3

Ms. Longbotham stated Principal Plant Services, LLC had begun excavating for the onsite detention pond. She said Landmark, the Elevated Storage Tank subcontractor, had started work on the concrete tower pedestal. She said that Alsay, the water well subcontractor, had finished the well analysis test and she reviewed photos of the site.

Ms. Longbotham presented a Work Order Agreement with CenterPoint Energy to the Board for approval to begin work on the natural gas line for the generator. Upon motion duly made and seconded, the Board voted unanimously to approve the Work Order Agreement.

#### Storm Sewer and Drainage Channel Repairs by HCFCDD and HC Precinct 4

Ms. Longbotham said the M102 sinkhole had been repaired, a consultant had been authorized to design repair of the M100 failed storm sewer at the end of Wellington Court, and a consultant had been hired to prepare encroachment documents for the M102 channel rehabilitation project.

#### FEMA Request for Public Assistance

Ms. Longbotham stated that Oakmont PUD had agreed to participate in the Interlocal Agreement which was being reviewed by Harris County Flood Control District. Upon motion duly made and seconded, the Board voted unanimously to approve continuing the Direct Administrative Costs Pilot program with FEMA.

### Creekview Land Acquisition for Lift Station

Ms. Longbotham stated the variance reports had been submitted to the City of Houston. She said the Engineer was working with Steve George on land and easement acquisition and that Mr. George had contacted a property owner.

### Bond Application Report No. 18

Mr. Wallace stated the TCEQ Staff Memo had been received and there were no issues to report. He presented a schedule to market the Bonds, which had been prepared by the Financial Advisor, a copy of which is attached hereto. Upon motion duly made and seconded, the Board voted unanimously to authorize the Financial Advisor to prepare the Preliminary Official Statement (“POS”) and Notice of Sale (“NOS”). She stated the time table indicated February 18, 2019 to approve the POS and NOS and authorize advertising for sale of the Bonds; March 18, 2019 to conduct the bond sale; April 15, 2019 to approve closing on the Bonds; and April 18, 2019 to close and fund the Bonds. The Board agreed to this sale schedule.

### Public Water Line Replacement on Gosling Road

Ms. Longbotham stated the Engineer was in the design phase of the project and had submitted the preliminary plans to all jurisdictional agencies for review. She said Harris County had several drainage problems to get resolved.

### Landmark and Triad Water and Sewer Line Extensions

Ms. Longbotham stated the Engineer had started design of the project and the developer had funded the design and related costs. She presented a preliminary project schedule, a copy of which is attached hereto as an exhibit, and said the Engineer wanted to begin construction in April 2019. Ms. Longbotham said Landmark would construct the regional detention pond and would front all costs related to the project.

### D R Horton Payment for Hampton Creek Section 8

Ms. Longbotham stated the Engineer had received proof of payment documentation for the Hampton Creek Section 8 paving project in the amount of \$74,725.13. Ms. Schmidt said it was permitted to write a check from the surplus Road Bond funds and she would update the Developer Reimbursement Audit. Upon motion duly made and seconded, the Board voted unanimously to approve the payment.

### Pay Estimates and Change Orders

Ms. Longbotham presented Pay Estimate No. 9 in the amount of \$99,198.99 to Principal Plant Services, LLC for Water Plan No. 3 and the Elevated Storage Tank.

Hampton Creek Detention Ponds Phase III & IV

Ms. Longbotham said this project was still on hold.

Cypressbrook Development Company

Ms. Longbotham stated the required \$15,000 deposit to begin the feasibility study had not yet been received from the developer. She said the developer needed City of Houston confirmation not to extend two roads through tracts. She said Harris County concurrence was also needed. She said the developer was working with the pipeline company to arrange for storm sewer crossings.

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

ANNEXATIONS AND DEVELOPMENT

Mr. Wallace presented an Order Adding Land and Redefining Boundaries, an Amendment to Information Form, and a revised District Boundary Map for the Triad Real Estate 4.9277 acre annexation. Upon motion duly made and seconded, the Board voted unanimously to approve the Order Adding Land and Redefining Boundaries, the Amendment to Information Form, and the revised District Boundary Map.

Mr. Wallace stated the 30.721 acre Landmark annexation was under review at the City of Houston.

ATTORNEY'S REPORT

Mr. Wallace stated the Assignment of Development Financing Agreement between BLD Gosling, LLC and DRHI was on hold pending a response from Joe Goggans. Mr. Wallace stated the Development Financing Agreement with Shops on Gosling, LLC had been drafted and was out for signature. He said he would be drafting a Cost Sharing Agreement between the District, The Landmark at Auburn Lakes, LLC and Shops on Gosling, LLC.

Mr. Wallace presented a Donated Office Space Agreement with State Representative Valoree Swanson to be ratified by the Board of Directors. Upon motion duly made and seconded, the Board voted unanimously to ratify the agreement.

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

OTHER MATTERS

Director Thomas stated there was some concerning legislation filed of late that would greatly restrict bond elections.

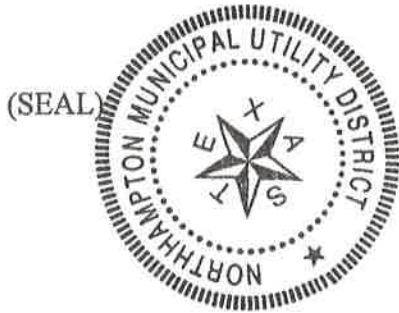
GENERAL MANAGER'S REPORT

Mr. Sheffield stated that there was a problem with the boiler at the Northcrest pool. He said a trail had been added behind the new water feature at Northcrest Park and that there was a plan to install a 120' boardwalk over the swamp portion. He said the bathrooms at the Northcrest pool were about three weeks from completion.

Mr. Sheffield stated user fee renewals were ahead of last year's renewals. He said the Inway grounds were being prepped and park bushes had been trimmed.

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

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



  
Secretary, Board of Directors