

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

March 4, 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 4th day of February 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 Mrs. Lisa June, an employee of the District; Mr. Joshua Lee, P.E., of Jones & Carter, Inc., the District's Engineer; Mr. Robb Clark of Hays Utility South Corporation, the District's Operator; Mr. David James, Mr. Don Harris and Mrs. Marsha Harris, residents of the District; Mr. Patrick Magliaro and Mr. Nick Gruy of Triad Real Estate Consulting Group, L.L.C.; and Mr. Mark Dominguez, owner of Center Court Pizza & Brew.

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

Mr. Don Harris, a representative of Willow Creek Golf Club, discussed the possibility of a water reuse program for watering the golf course. He stated he had met with Mark Evans, the Planning and Governmental Affairs Director of the North Harris County Regional Water Authority (NHCRWA). He said the NHCRWA provides monies for water reuse projects and it was possible that the cost for providing wastewater from the District's Wastewater Treatment Plant ("WTP") for reuse to water the golf course could be funded through the NHCRWA. He stated that currently the wastewater effluent at the District's WTP is Type 2 quality. He stated that Type 2 quality water could only be used at night and that for purposes of watering the golf course during the day, the effluent must be Type 1. He said he believed that the costs to produce Type 1 effluent, infrastructure necessary to transport water to the golf course, and the cost of building storage tanks for the Type 1 water may be funded by the NHCRWA. He asked if any of

the Directors would be willing to meet with him and Mr. Evans. Directors Thomas and Kirkpatrick agreed to meet, along with Mr. Josh Lee, to discuss these matters.

SHOPS ON GOSLING, LLC DEVELOPMENT FINANCING AGREEMENT

Mr. Pat Magliaro and Mr. Nick Gruy, representatives of the Shops on Gosling, LLC development, expressed their gratitude to the Directors for the utility extension and their timeliness with the project. Mr. Magliaro and Mr. Gruy addressed the concerns of the Board regarding the types of businesses and tenants that would occupy the development. They stated that one of the anchor businesses would be Center Court Pizza & Brew.

Mr. Mark Dominguez, owner of the restaurant, described the atmosphere as family oriented, with an outdoor playground and arcade area. He also stated that the restaurant caters to families, especially those involved in youth-oriented sports teams and activities. Mr. Magliaro and Mr. Gruy stated that their tenants would be upscale businesses including a dental and veterinarian practice. He stated that the license the pizzeria would carry under the Texas Alcohol and Beverage Commission allows alcohol receipts up to 49% of the gross receipts. They stated that the development is a niche development and believe they agree with the guidelines set forth by the Board on the types of tenants which are desirable by both parties. Mr. Josh Lee stated he would relay the agreed upon verbiage for the agreement to the District's Attorney.

GENERAL MANAGER'S REPORT

In the absence of the District's General Manager, Lisa June presented the report. She stated that the extended partition for the men's restroom at Northcrest Park had been ordered. She said that upon installation of the partition, the restrooms at Northcrest Park would be complete.

Concerning the leak in the new portion of the pond and water feature at the Northcrest Park, Ms. June stated that instead of spraying the water feature with gunite, which was going to be too costly, the water feature area would be drained and concrete applied to the inside of the wall to seal it. She said this will be done by District employees.

Mrs. June stated that the main valve to the irrigation system and Community Center had been replaced, as it would not close fully. She said this was done to help determine the source of the leak which had been registering on the Northampton MUD building's esplanade smart meter. She stated it had been determined that the leak lies in the line between the meter and the main cut off valve which runs under the parking lot. Mr. Robb Clark stated that Accurate Meter would perform a test on that portion of the line as soon as weather permitted.

Upon a motion made duly made and seconded, the Board approved the General Manager's Report as presented.

APPROVE MINUTES

Minutes of the meeting of the Board of Directors held on February 18, 2019 were presented for review and approval. Upon a motion duly made and seconded, the Board voted unanimously to approve the minutes as presented.

COMMUNICATION PLAN FOR NHCRWA FEE INCREASE

Mrs. June proposed to the board a communication plan to inform residents about the upcoming April 1, 2019 fee increase by the NHCRWA. She presented a letter to be mailed to residents along with a brochure from the NHCRWA. She also noted the District's website, Ebulletin, Northampton Newsletter, and a notice on the District's water bills would be utilized.

OFFSITE BACKUP FOR OFFICE COMPUTERS

Mrs. June discussed various possibilities for backing up documents on the office computers as well as backing up data on the security system server. Director Kirkpatrick asked that Mr. Tim Raebig, the District's Information Technology administrator, attend the next recreational meeting to discuss the issue.

TRANSMISSION OF SENSITIVE DATA

Mrs. June discussed examples of sensitive information transmitted electronically by the District. She said this includes social security numbers, account and banking information, tax reports, and operators reports. She informed the Board it was possible to have the emails encrypted upon transmission. It was determined this would also be discussed with Mr. Raebig at the next recreational meeting.

OPTIONS FOR SHREDDING OFFICE DOCUMENTS

Mrs. June stated that shredding services for office documents typically cost approximately \$60 per trip. She said the documents are stored in a locked cabinet until a pickup time is scheduled. She suggested that the shredding day organized by the Northampton Maintenance Fund twice yearly would most likely meet office needs. Director Kirkpatrick suggested purchasing a locked shredding bin cabinet to store the documents in between shredding trips.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR THE 2019 TAX YEAR

Upon a motion made and duly seconded, the Board voted unanimously to approve a Resolution Concerning Exemptions from Taxation for the 2019 Tax Year.

RESOLUTION IMPLEMENTING 20% PENALTY ON 2018 DELINQUENT TAXES

Upon a motion duly made and seconded, the Board voted unanimously to approve a Resolution Implementing 20% Penalty on 2018 Delinquent Taxes and Contracting with Attorneys to Collect Delinquent Taxes.

FEASIBILITY STUDY FOR WILLOW CREEK GOLF CLUB WATER REUSE

This item was tabled until the scheduled meeting with Directors Kirkpatrick and Thomas, Mr. Harris, Mr. Evans and Mr. Lee.

PURCHASE OF LOTS ON CREEKVIEW FOR WILLOW CREEK LIFT STATION

Mr. Josh Lee stated that Mr. Sheffield had tried to reach the owner of the two lots on Creekview. He said Mr. Sheffield and Director Kirkpatrick would continue to try to contact the owner before the next meeting on March 18, 2019.

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




Secretary, Board of Directors