

## NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

### Minutes of Meeting of Board of Directors January 19, 2017

The Board of Directors ("Board") of Northwest Harris County Municipal Utility District No. 5 ("District") met at 14701 Spring Cypress Road, Cypress, Texas, on January 19, 2017, in accordance with the duly posted notice of the meeting, with a quorum of directors present as follows:

Jeff P. Collins, President  
Larry L. Milberger, Vice President  
James Adams, Secretary  
Charles Fischer, Treasurer  
H. Bruce Gallun, Director

and the following director absent:

None

Also present were Mr. Jason Hajduk of IDS Engineering Group, Ms. Kayla Crigger and Mr. Charles LaConti of Municipal Accounts & Consulting, Mr. Greg Coleman of Beazer Homes, Mr. James Parker and Mr. Jon VanderWilt of Costello, Inc., Mr. Ken Love of Municipal District Services, LLC, Ms. Katie Golzarri and Mr. Jason Buckley of Clark Condon, Sergeant E. Gonzales of Harris County Constable's office, Mr. Bill Douglas, a resident of the District, and Mr. James D. Bonham, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board considered the minutes of the meeting of December 8, 2017, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. The Board then considered a law enforcement contract with the Harris County Constable's Office to be effective March 1, 2017. The Board discussed the contract, and upon unanimous vote, the Board approved and executed the contract and hand delivered the executed documents to Sergeant Gonzales.

3. Sergeant Gonzales then addressed the Board and reviewed the monthly activity report provided by the Constable.

4. The Board reviewed the attached bookkeeper's report, including the invoices reflected thereon and a schedule of District investments. The Board also reviewed the general fund comparison of actual versus budgeted revenues and expenditure for the fiscal year ending July 31, 2017. After review and discussion, upon unanimous vote, the Board approved the bookkeeper's report and the checks listed thereon.

5. The Board then reviewed the operator's report reflecting 36 taps during the previous month bringing the total connections in the District to 6,056. The Board reviewed the billing and collections summary and the operation of the water plants and the sewer treatment plants. It appeared that 94% of the water pumped during the previous month had been accounted for, and the report reflected no waste discharge permit violations during the reporting period. Mr. Love reported that Municipal District Services will proceed with the repair of the sanitary sewer line damaged by the contractor for AT&T and make every effort to document the cost of repair for a claim against the contractor and/or AT&T. The Board discussed repairs and maintenance to the District's facilities since the last Board meeting and reviewed the run time report on the District's lift pumps. Mr. Love presented an appeal of an unusually high water bill from a resident in Indian Trails Subdivision. The Board reviewed the matter and agreed that the District's established policy for water leaks should be applied to the account. Mr. Love also reported that the pump motor no. 2 at water plant no. 2 had failed and that a rental motor is in place pending replacement. After discussion by the Board, upon unanimous vote, the Board approved the operator's report and authorized termination of service to all customers appearing on the delinquent list in accordance with the District's Rate Order.

6. The attorney for the District then advised that based on information provided by the Harris County Tax Assessor's Office, the District's 2016 taxes are 61.36% collected.

7. The Board then discussed an over 65 or disabled homestead exemption for the 2017 tax year. The Board recognized Mr. Bill Douglas who requested the Board consider capping taxable value as done by the school districts. Mr. Douglas was advised that the law does not allow for capping by municipal utility districts. After discussion by the Board, upon unanimous vote, the Board adopted the attached order establishing an over 65 or disabled homestead exemption for the 2017 tax year.

8. The Board then recognized Mr. Jon VanderWilt who presented the engineer's report. The Board approved the pay estimates reflected in the report, as well as change order no. 1 on the Telge Ranch lift station project. Mr. VanderWilt reported on the status of the water line relocation for the Grant Road widening and advised that the conversion of water plant no. 1 from chlorine gas to bleach treatment is completed with an additional charge to connect the fault system to the autodialer at a cost of \$1,500. The Board acknowledged the previous discussion regarding annexation of an additional 15 acres into the Hayden Lakes Subdivision, and the attorney and engineer advised that Beazer Homes had made the necessary deposit to allow the annexation to proceed. Mr. VanderWilt advised that he will be recommending improvements to the District's water plants. Mr. Parker then reported on the Spring Cypress landscaping and irrigation system repairs. After further discussion, upon unanimous vote, the engineer's report was approved by the Board.

9. The Board then recognized representatives of Clark Condon who presented a proposal for landscape and park design services. The Board reviewed the proposal and discussed the proposed design charrette, and upon unanimous vote, the proposal was approved and executed.

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

  
Secretary