

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

Minutes of Meeting of Board of Directors

August 17, 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 August 17, 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 absent:

None.

Also present were Ms. Julie Peak of First Southwest Company, Mr. Jason Hajduk of IDS Engineering Group, Ms. Kayla Crigger of Municipal Accounts & Consulting, Mr. Dane Plumbley and Mr. Brian Gibson of Lennar Homes, Mr. Justin Jenkins of McCall Gibson Swedlund Barfoot PLLC, Mr. Greg Coleman of Beazer Homes, Mr. Jon VanderWilt, Mr. Keith Bille and Mr. Dustin O’Neil of Costello, Inc., Mr. Ken Love of Municipal District Services, LLC, Ms. Katie Golzarri of Clark Condon, Earnie Gonzales of the Harris County Constable’s Office, Mr. Peter Barnhart and Mr. Jarrod Payne of Caldwell Companies, Mr. Dennis Vickery, a resident of Rock Creek subdivision, Mr. Joe Lopez, a resident of Village of Indian Trails subdivision, 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 July 20, 2017, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. The Board recognized Mr. Justin Jenkins of McCall Gibson Swedlund Barfoot, PLLC who presented the auditor’s limited scope review on expenditure of bond proceeds. The Board reviewed the report and executed a letter related to the Elan Development, LP reimbursement. After discussion, upon unanimous vote, the Board approved the auditor’s report and authorized distribution of bond proceeds.

3. 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.

4. The Board then reviewed the operator's report reflecting 39 taps during the previous month bringing the total connections in the District to 6,377. The Board reviewed the billing and collections summary and the operation of the water plants and the sewer treatment plants. It appeared that 96.7% 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. 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 reported that 306 fire hydrants had been painted during the previous month. The Board discussed the provision of emergency power to the lift stations in the District and agreed to consider alternatives to the current arrangement with NTS for rental generators. Mr. Love requested that the Board consider an adjustment to the operator's fee schedule, and the Board agreed to put the matter on the September, 2017 agenda. 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. The Board also authorized a schedule of delinquent accounts to be written off as uncollectible.

5. 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 98.98% collected.

6. 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 Hayden Lakes clearing and mass grading contract. Mr. VanderWilt reported on the status of the various matters appearing in the written report, including the alternative capacity request pending at the Texas Commission on Environmental Quality, and the waste discharge permit renewal applications. The engineer advised that plans for the Water Plant No. 3 improvements had been approved by the TCEQ, and upon unanimous vote, the Board authorized advertisement for bids upon receipt of approval from the City of Houston. The Board considered four proposals from Purify for converting District facilities from chlorine gas to bleach, and each proposal was accepted by the Board. Mr. VanderWilt discussed revisions of the reclaimed water supply project and the Board deferred further consideration to a future Board meeting. The engineer provided a preliminary summary of costs for the parks and recreation bond application and reported on the status of annexations in the District. After further discussion, upon unanimous vote, the engineer's report was approved by the Board.

7. The Board then considered the request from the Villages on Grant Homeowners Association to construct a fishing dock on the detention pond in the subdivision, and upon unanimous vote, the Board approved a letter agreement related to the same.

8. The Board then considered a proposed contract with the Rock Creek Homeowners Association for landscaping Louetta Road, and upon unanimous vote, the agreement was approved and executed.

9. The Board then considered a proposal from Sweitzer & Associates for landscape architect services related to the landscaping of Louetta Road, and upon unanimous vote, the proposal was accepted by the Board.

10. Mr. Dennis Vickery then discussed with the Board proposed sidewalks and trails in Rock Creek subdivision.

11. The Board then recognized Ms. Katie Golzarri of Clark Condon who discussed with the Board the status of the park and trail project. The attorney for the District discussed with the Board issues related to acquisition of easements from homeowners associations, as well as the Trunkline Gas pipeline easement. The Board acknowledged that there would be some expense related to acquisition of easements from the homeowners associations and other easements which may require condemnation. The Board agreed that it would be helpful for the Park Committee to meet each month at 4:00 p.m., prior to the regularly schedule Board meeting.

12. The Board then discussed a long range planning meeting, and agreed that the Board should meet at 5:00 p.m. on October 18, 2017 to address the matter.

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



Secretary