

## **NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5**

Minutes of Meeting of Board of Directors

July 19, 2018

The Board of Directors (“Board”) of Northwest Harris County Municipal Utility District No. 5 (“District”) met at 14701 Spring Cypress Road, Cypress, Harris County, Texas, on July 19, 2018, 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:

Also present were Ms. Julie Peak of Masterson Advisors, Mr. Bob Wanninger of Lakeland Development Company, Ms. Kayla Crigger of Municipal Accounts & Consulting, Mr. Dane Plumbly of Lennar Homes, Mr. James Parker and Mr. Jon VanderWilt of Costello, Inc., Ms. Katie Golzarri and Mr. Jason Buckley of Clark Condon, Mr. Ken Love and Mr. Austin Muse of Municipal District Services, LLC, Mr. Jarrod Payne of Caldwell Companies, Ms. Erin Laird of IDS Engineering Group, Mr. Benjamin Todd and Mr. Spencer Todd, residents of the District, officers from the Harris County Constable’s Office, 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 June 28, 2018, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. 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, 2018. After review and discussion, upon unanimous vote, the Board approved the bookkeeper’s report and the checks listed thereon.

3. The Board then reviewed a proposed budget for the Fiscal Year Ending July 31, 2019, and upon unanimous vote, the Board adopted the attached resolution approving the budget.

4. The Board then reviewed the operator’s report reflecting 38 taps during the previous month bringing the total connections in the District to 6,864. The Board reviewed the billing and collections summary and the operation of the water plants and the sewer treatment plants. It appeared that 96.5% of the water pumped during the previous month had been accounted for, and the report reflected no waste discharge permit violations during the reporting

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period. Mr. Love advised that the North Harris County Regional Water Authority has given notice that it will suspend surface water service for a one week period beginning July 28, 2018. Mr. Love reviewed the summary of recommended repairs for fire hydrants in the District, and upon unanimous vote, the Board authorized the operator to proceed with the repairs at a cost of \$33,182.75. The Board also requested the operator and engineer coordinate on a numbering system for the fire hydrants. 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. 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.

5. The attorney for the District then advised that based on information provided by the Harris County Tax Assessor's Office, the District's 2017 taxes are 99% collected.

6. The Board then recognized Mr. James Parker who presented the engineer's report. Mr. Parker advised that Storm Water Solutions had completed three projects in the District and that the Rock Creek detention pond has been inspected and all parties agree that the repair work is complete. The Board approved the pay estimates reflected in the report and authorized award of the Enclave at Northpointe, Section 8 utility contract to Clearwater Utilities. The Board also authorized award of the underground utility contract for Copper Ridge at Indian Trails to the low bidder, Fellers & Clark. The engineer discussed with the Board an invoice from the Fairwood Homeowners Association for \$3,700 for electrical repairs, which was approved by the Board. The engineer reviewed with the Board the status of annexations in the District and advised that the pre-purchase inspection has been completed with no deficiencies noted. After further discussion, upon unanimous vote, the engineer's report was approved by the Board.

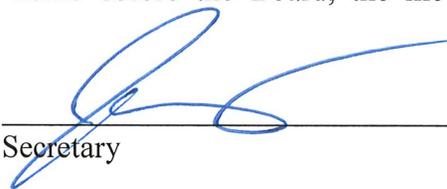
7. The Board then considered the attached resolution regarding electric power consumption, and upon unanimous vote, the Board adopted the resolution and instructed the engineer and operator to consider all means necessary to reduce power consumption in the District.

8. The Board then recognized the District's financial advisor, Ms. Julie Peak, who reviewed with the Board the Preliminary Official Statement and Notice of Sale of the District's Series 2018 Bonds. The Board reviewed the documents, and upon unanimous vote, adopted a resolution approving the Preliminary Official Statement and Notice of Sale.

9. The Board then recognized officers from Harris County Constable's Office who presented the law enforcement report for the previous month.

10. The Board then recognized developers in the District who reported on the status of development and home sales in the respective subdivisions.

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

  
Secretary