

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

Minutes of Meeting of Board of Directors

May 16, 2019

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 May 16, 2019, 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
Bruce Gallun, Director

and the following absent:

None.

Also present were Mr. Bob Wanniger of Lakeland Development Company, Mr. Jason Hajduk of IDS Engineering Group, Mr. Charles LaConti of Municipal Accounts and Consulting, Mr. Brian Gibson of Lennar Homes, Mr. Justin Jenkins of McCall Gibson Swedlund Barfoot, PLLC, Mr. James Parker and Mr. Jon VanderWilt of Costello, Inc., Ms. Katie Goltzarri and Mr. Jason Buckley of Clark Condon, Mr. Ken Love and Mr. Austin Muse of Municipal District Services, LLC, Mr. Jarrod Payne and Mr. Trey Villagran of Caldwell Companies, Mr. David Beyer of Storm Water Solutions, officers from the Harris County Constable's Office, Ms. Jennifer Lembcke and Ms. Jeanine Lamb of Valencia Pines Homeowners Association, 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 April 18, 2019, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.
2. The Board recognized officers from the Harris County Constable's Office who presented the law enforcement report for the previous month.
3. The Board recognized Mr. Justin Jenkins who presented Supplemental Developer Reimbursement reports from the Series 2015 and Series 2017 Bond issues. After review and discussion, upon unanimous vote, the Board approved both reports.
4. The Board reviewed the attached bookkeeper's report, including the invoices reflected thereon and a schedule of District investments. The Board also reviewed a schedule of deposit refunds paid by check executed by the bookkeeper pursuant to the Board's authorization. The Board also reviewed the general fund comparison of actual versus budgeted

revenues and expenditure for the fiscal year ending July 31, 2019. 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 40 taps during the previous month bringing the total connections in the District to 7,189. The Board reviewed the billing and collections summary and the operation of the water plants and the sewer treatment plants. It appeared that 89.3% 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 reviewed with the Board a report on the status of installation of smart meters in the District and advised that Third Coast Services, LLC had damaged a sanitary sewer line in the Rock Creek subdivision. Mr. Love reported a sink hole in a storm sewer along Grant Road and the Board accepted a proposal from Camino Services to repair the sink hole. The Board discussed the fence at Lift Station No. 9 and agreed to install a chain link fence inside the neighbors wooden fence. The Board discussed repairs and maintenance to the District's facilities since the last Board meeting. 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 2018 taxes are 98.85% collected.

7. The Board then recognized Mr. Jon VanderWilt who presented the engineer's report. The engineer advised that Notice to Proceed has been issued on the Water Plant No. 4 hydropneumatic tank project. The Board reviewed the status of utility construction in Enclave at Northpointe, Section 8, Copper Bend at Indian Trails, and Willowcreek Ranch, Section 10, and approved all pay estimates reflected in the report. The Board reviewed a bid tabulation for extension of the sanitary sewer line to The Learning Experience project, and the attorney for the District reported on the status of acquisition of easements for the project. After discussion, the Board authorized purchase of the Northpointe Storage easement at \$3.00 per square foot provided all other easements are obtained, and further authorized award of the construction contract to Ramos Utility Work on the condition that all easements are acquired. Mr. VanderWilt presented a proposal for design of the Wildwood Lift Station force main relocation which was accepted by the Board. The engineer then reported on the status of annexations in the District. The Board discussed complaints regarding a dead tree in the Treeline detention pond and agreed to allow Storm Water Solutions to remove the tree at a cost not to exceed \$600. After further discussion, upon unanimous vote, the engineer's report was approved by the Board.

8. The Board then recognized Ms. Katie Golzarri who reported on the status of the Grant Road landscaping project and presented Change Order No. 1, which was approved by the Board. The Board discussed the hike and bike trail project, including acquisition of easements and the required Interlocal Agreement with Harris County and the Board confirmed its authorization to advertise for construction bids upon receipt of the Interlocal Agreement.

9. The Board then recognized Mr. David Beyer who presented a report on mowing and repairs of various properties in the District pursuant to the agreement with Storm Water Solutions.

10. The Board then recognized residents from an area along Spring Cypress who reported that a multifamily project had been proposed for an approximately six acre tract within the boundaries of the District, but that the project has been abandoned and the property is listed for sale. The residents expressed concern regarding flooding and the Board agreed to report any inquiries regarding potential development of the property.

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


Secretary