

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

Minutes of Meeting of Board of Directors

September 19, 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 September 19, 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 Ms. Kayla Crigger of Municipal Accounts and Consulting, Mr. Bob Wanninger of Lakeland Development Company, Mr. Ken Love Municipal District Services, LLC, Mr. Chris Buell of Cypress Shaw Investors, LLC, Mr. Chris Sanchez, a resident of Grant Meadows subdivision, and officers from the Harris County Constable’s Office.

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

1. The Board acknowledged publication of Notice of Sale of the District’s \$17,140,000 Series 2019 Bonds. The Board reviewed a tabulation of four bids received for purchase of the Bonds and the Financial Advisor’s recommendation for award of sale of the Bonds. It appeared that the low bidder was Robert W. Baird & Company, Inc. with a net interest cost of 2.784563%. The Board considered the bids, and upon unanimous vote, the Board adopted the attached Order awarding sale of the Bonds to Robert W. Baird & Company, Inc.

2. The Board considered the minutes of the meeting of August 15, 2019, and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

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

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, 2020. After review and discussion, upon unanimous vote, the Board approved the bookkeeper’s report and the checks listed thereon.

5. The Board then discussed reimbursement of Cypress Shaw Investors, LLC for costs related to the sanitary sewer line extension to The Learning Experience. The Board reviewed the engineer's analysis of the cost of oversizing the line, and agreed to immediately reimburse the developer for the oversizing costs from the general fund to be reimbursed from surplus capital projects funds and agreed to reimburse the balance from the proceeds of the next bonds issue provided there is sufficient taxable value in the project to support the reimbursement at a \$0.70 debt service tax rate in accordance with established District policy.

6. The Board acknowledged publication of Notice of a Public Hearing to consider a \$0.76 tax rate for the year 2019. The Board opened the meeting for public comment or question and, hearing none, the hearing was closed. The Board then considered the attached Order adopting the District's 2019 tax rate, and upon unanimous vote, the Order was approved and executed.

7. The Board then executed an amended statement of directors to reflect the 2019 tax rate and authorized the attorney to file the statement in the real property records.

8. The Board then considered a proposed amended bookkeeper's contract, and after review and discussion, upon unanimous vote, the amendment was approved by the Board.

9. The Board then reviewed the operator's report reflecting 31 taps during the previous month bringing the total connections in the District to 7,331. The Board reviewed the billing and collections summary and the operation of the water plants and the sewer treatment plants. It appeared that 97.0% 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. Mr. Love reported that the water pressure issue is continuing and that the operator and engineer are investigating options to improve the situation. Mr. Love also provided a summary of inspection of the District's facilities at an estimated cost of \$118,544. The Board discussed the matter and requested that bids be solicited prior to proceeding. 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.

10. The Board then reviewed the engineer's report and approved all pay estimates reflected therein. The Board also approved two proposals for design projects in the District. After review of the other items in the report, upon unanimous vote, the Board approved the engineer's report.

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


Secretary