

**MINUTES OF MEETING OF THE BOARD OF DIRECTORS
NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1**

August 8, 2019

THE STATE OF TEXAS §

COUNTY OF HARRIS §

NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Northgate Crossing Municipal Utility District No. 1 (the “District”) met in regular session, open to the public, at 23800 Interstate 45 North, Spring Texas, a designated meeting place of the Board inside the boundaries of the District, on August 8, 2019, whereupon the roll was called of the members of the Board, to-wit:

Jason Williams	President
Shane Holman	Vice President
Jim Helfrich	Secretary
Michael Lopez	Assistant Secretary/Assistant Vice President
Kenny Boeckelman	Assistant Secretary

All members of the Board were present except Directors Holman and Boeckelman, thus constituting a quorum.

Also attending the meeting were, Michael Murr with Murr Incorporated, landscape architect for the District; Jeremy Roach with Apollo Consulting, web manager for the District; Officer Brent Ballard with Harris County Constable Precinct Office 4; Jeff Conti Director of Northgate Crossing Mud No. 2 (“NG2”), Vanessa Hernandez with Myrtle Cruz, Inc. (“MCI”), Bookkeeper for the District; Juan Montano with Inframark, Operator for the District, Patti Mace and Angela Helfrich representing the Northwood Pines Homeowners Association (“HOA”); Bill Blich with Blich Associates, Inc. (“BAI”) and Bob Leared Interests (“BLI”), Financial Advisor and Tax Assessor/Collector, respectively to the District; Robert Atkinson with Edminster Henshaw Russ & Associates (“EH”), Engineer for the District; members of the public listed on the attached attendance Sheet; and Maria Salinas Parker and Michael R. Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), Attorneys for the District.

CALL MEETING TO ORDER

The meeting was called to order and the following business was transacted.

HEAR FROM THE PUBLIC

The Board noted that there were no members of the public present at the meeting to address the Board.

PEACE OFFICER’S REPORT

The Board recognized Officer Ballard, who presented the Peace Officer’s Report.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board next reviewed the Tax Assessor/Collector's Report, a copy of which is attached hereto. The Board noted that the District has collected 99.586% of its 2018 taxes.

Upon motion duly made and seconded, the Board voted unanimously to (i) approve the Tax Assessor/Collector's Report, and (ii) authorize payment of the invoices presented for payment from the District's Tax Account.

FINANCIAL ADVISOR'S REPORT

There was no Financial Advisor's Report.

BOOKKEEPER'S REPORT

The Board then reviewed the Bookkeeper's Report and Investment Report. Copies of such reports are attached hereto.

The Board reviewed the balances in each of the District's accounts and noted investments in each account. The Board also reviewed the activity in each account. The Board reviewed the invoices and the checks prepared in payment thereof.

The Directors then reviewed: (1) the Cash Flow Report for the District's Operating Fund; (2) the Budget Comparison; (3) the Pledged Security Report, and (4) the Investment Report, copies of which are included with the Bookkeeper's Report.

Upon motion duly made and seconded, the Board voted unanimously to approve (i) the Bookkeeper's Report, (ii) the bills submitted for payment, and (iii) the Investment Report.

TERMINATE AGREEMENT SALES REVENUE INC. ("SRI")

Consideration was then given to terminating the contract with SRI.

Upon motion duly made and seconded, the Board voted unanimously to terminate the District's agreement with SRI.

ATTORNEY'S REPORT

The Board recognized Mr. Willis, who presented the Attorney's Report.

Approval of Minutes

Proposed minutes of the meeting of the Board held July 11, 2019, previously distributed to the Board, were presented for consideration and approval.

Upon motion duly made and seconded, the Board voted unanimously to approve the minutes of July 11, 2019, as submitted.

Amend Rate Order

No action was taken on amending the Rate Order.

Policy Relating to Levee

No action was taken in connection with the Levee Policy.

Consultant to Implement Emergency Preparedness Plan ("EAP")

Ms. Parker reminded the Board that at the meeting held on December 13, 2018, the Board agreed to consider accepting proposal for an administrator/coordinator of the District's EAP. Ms. Parker stated that she has reached out to several companies to submit proposals.

Legislative Update

Mr. Willis then updated the Board on legislative matters.

Resolution Regarding Annual Review Investment Policy.

At this time, the Board conducted a review of the Investment Policy, noting that the only change at this time is in the list of authorized brokers.

Upon motion duly made and seconded, the Board voted unanimously to approve the resolution Regarding Annual Review of Invest Policy, a copy of which is on file in the official records of the District.

2019 Tax Levy/Call Public Hearing

The Board deferred action on the 2019 tax levy.

ORDER CALLING BOND ELECTION

No action was taken on calling a bond election for November 5, 2019.

ENGINEER'S REPORT

The Board recognized Mr. Atkinson, who presented the Engineer's Report, a copy of which is on file in the official records of the District.

Levee Inspection

EHRA performed the monthly maintenance inspection of the levee earlier in the month. There is a broken bollard near the spillway. Inframark was notified to replace the bollard. There is overgrown vegetation adjacent to the wire rope fence as well as erosion in the back slope drain along Slate Valley Lane. Inframark was asked to repair the erosion.

Spring Creek Erosion

Erosion was detected on the concrete cantilever retaining wall along Spring Creek that cuts into the levee. The wall was erected to repair damage sustained to the park trail owned by Harris County as a result of Hurricane Harvey. At the time the wall was being erected, the District expressed its concern with the scope of the repairs. LJA Engineers, Inc. ("LJA"), as agent for Harris County, was notified that the easement granted to Harris County did not convey or grant to Harris County the right to cut into the levee. LJA, engineer for Harris County, issued a letter on May 2, 2018, assuring the District that the area where the retaining wall cuts into the levee meets and passes prescribed design criteria to maintain stability. Harris County has repaired the erosion in the area where Harris County cut into the levee. Additional grade 2 rip-rap was placed in the area by Harris County. EHRA will monitor the retaining wall for further erosion.

Storm Pump Station

Inframark has excavated the area around the sink hole and televised the sink hole to determine the source of the sink hole. Inframark will excavate a small portion of the levee face to determine the cause of the sink hole. EHRA has an alternative solution to this matter and will discuss it Inframark. There is a 3-inch pipe adjacent to the storm station that is buried in the detention basin face of the levee. The pipe will be capped and the eroded areas will be repaired.

Emergency Operations Building

There was no report on the Emergency Operations Building.

Capital Projects

A Capital Projects Study is being prepared, including rehabilitation of the wastewater collection system, rehabilitation of the lift station and manholes. Also included, will be rehabilitation of shared facilities with NG2.

Camera Survey of the Sanitary Sewer System

Inframark has provided a camera survey of the District's sanitary sewer collection system. EHRA will review the survey to determine the extent of repairs and rehabilitation of the sanitary sewer collection system which will be included in the Capital Projects Study.

District Map

The District map was updated with an aerial photograph.

Upon motion duly made and seconded, the Board voted unanimously to approve the Engineer's Report.

OPERATIONS REPORT/TERMINATION OF SERVICE

The Board next recognized Mr. Montano, who submitted to and reviewed with the Board the Operations Report, a copy of which is attached hereto.

Mr. Montano also presented a report on the Storm Station, which report is attached to the Operations Report.

Mr. Montano reported as noted below.

- i. The billed to pumped ratio was 102.81%.
- ii. There are 417 active connections in the District.
- iii. There were no accounts finalized with a balance under \$25, and one account finalized with a balance greater than \$25.
- iv. There were no excursions at the wastewater treatment plant.
- v. There are 23 accounts on the water termination list
- vi. The fuel lines for pumps at the Storm Station were replaced with stainless steel lines.
- vii. The leak on pump 3 is attributable to a crack on the welding which has been repaired.

The Board discussed the emergency siren, and agreed to consider replacing the digital siren with two motor sirens the sound of which will reach the entire District.

Upon motion duly made and seconded, the Board voted unanimously to (1) turn over the accounts finalized with a balance in excess of twenty-five dollars, if any, for collection, if any; (2) write off of the District's books the accounts finalized with a balance over twenty-five dollars, as presented, and (3) approve the Operations Report, including the Storm Water Pump Station Report.

Termination of Water Service

Consideration was then given to the termination of water service to the accounts listed on the Termination List. The Board noted that there were no customers present at the meeting who wished to address the Board regarding their water bills or to protest termination of water service.

Upon motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate service to the accounts listed on the Termination List with the assistance of a peace officer, if necessary.

WEBSITE/OFFICE 365

The Board recognized Mr. Roach, who presented website and Office 365 report.

Upon motion duly made and seconded, the Board voted unanimously to authorize (1) the release of the website, and (2) Mr. Roach to prepare a flyer to insert in the water bills notifying customers of the new website.

LANDSCAPE ARCHITECT REPORT/ PARK RANGERS LEVEE MAINTENANCE REPORT

The Board recognized Mr. Murr, who presented the Landscape Architect's report, a copy of which is on file in the official records of the District. Mr. Murr reported that:

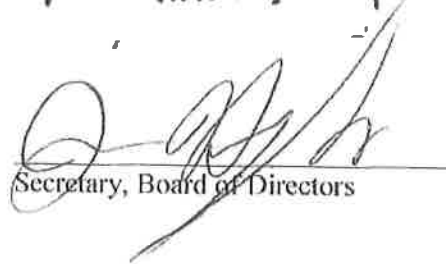
1. The lighting plan for Northgate Boulevard and Springwoods Village Parkway were revised to include Creek Knoll Boulevard. CenterPoint has been contacted to provide information necessary to complete the design plans. The developer of the Hilton Hotel has several light fixtures remaining and has asked if the District would be interest in the remaining light fixtures. The Board indicated that they are interested and asked Mr. Murr to notify the developer for the District's interest. The Board reviewed the various light fixtures and agreed that the budget should be amended to provide an expenditure for the lights at \$250,000. It was noted that the HOA will pay for the electrical service cost.
2. Cleaning of the channel is in progress.

3. Gabion blocks and large rocks are installed.
4. The drinking fountain at the Park was repaired.
5. Painting of the storage container is complete.
6. The fence at Homewood Suites was damaged by a District contractor. The contractor will repair the fence.
- 7.

The Board agreed to go forward with a splash pad at an estimated cost of \$250,000, and asked the Bookkeeper to amend the budget for such expenditure.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

PASSED, APPROVED and ADOPTED this September 12, 2019


Secretary, Board of Directors