

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

November 14, 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 November 14, 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 Boeckelman, thus constituting a quorum.

Also attending the meeting were Mark Eyring with Mark C. Eyring, CPA, PLLC, auditor for the District; Jeremy Roach with Apollo Consulting, consultant for the website; Michael Murr with Murr Incorporated, landscape architect for the District; Officer Brent Ballard with Harris County Constable Precinct Office 4; Jeff Conti Director of Northgate Crossing Mud No. 2 (“NG2”), Chris Linn with Myrtle Cruz, Inc. (“MCI”), Bookkeeper for the District; Juan Montano with Inframark, Operator for the District, 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 wished 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 99.697% 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.

## **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 Board concurred that funds from maturing certificates of deposit should be invested in TexPool, as TexPool is offering a higher interest rate, except for the maturing certificate of deposit at Spirit of Texas which will be rolled over, as said Bank is offering an interest rate higher than TexPool.

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.

## **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 October 10, 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 October 10, 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”)**

No action was taken on this matter.

**Legislative Update**

There was no Legislative Update.

**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 are no areas in need of critical repair. It was noted that the turf of the Levee near IH-45 is diminishing.

**Manhole and Sanitary Sewer Survey**

Inframark has completed the manhole and sanitary sewer survey. EHRA has reviewed the survey. No major deficiencies were noted.

**Shared Capital Projects**

EHRA met with the Engineer for NG2 to review proposed joint facilities, including water well 3 and expansion of the wastewater treatment plant.

**Bi-Directional Interconnect Meter**

NG2 opened the bi-directional interconnect meter on November 10, 2019. Opening the valve will provide for more efficiency for the shared water systems.

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 105.23%.
- ii. There are 415 active connections in the District.
- iii. There were no accounts finalized with a balance under \$25, and two accounts finalized with a balance greater than \$25.
- iv. There were no excursions at the wastewater treatment plant.
- v. There are 20 accounts on the water termination list.
- vi. Inframark will obtain an estimate of cost for heat jackets for the engines at the Storm Station.
- vii. The sinkhole at the Storm Station has been repaired.
- viii. Re-working of the sluice gates is in progress.
- ix. Texas Overall repaired the storm pipe inside the detention pond.
- x. Homewood Suites has asked that the District waive the remaining \$18,000 owed by Homewood Suites due to an error in billing by the District. The Board was reminded that Homewood Suites was billed the park rate for irrigation water usage rather than the commercial rate.

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, (3) approve the Operations Report, including the Storm Water Pump Station Report, and (4) approve Homewood Suites paying \$9,000 of the remaining balance of \$18,000 provided that Homewood Suites will waive rental fees for the meeting facility for the next twenty-four months.

**Termination of Water Service**

Service terminations were deferred.

**WEBSITE/OFFICE 365**

The Board recognized Mr. Roach, who updated the Board on the Website/Office 365.

Upon motion duly made and seconded, the Board voted unanimously to approve the Website/Office 365/Report.

**LANDCAPE 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 is ready to implement and construct. The total cost is \$276,700. Hilton Hotel has confirmed that there are six (6) light fixtures available to the District at \$2,230 per fixture (not inclusive of installation costs). It was noted that the HOA will pay for the electrical service cost, and will add the lights to the HOA existing electrical contract.
2. There are dry areas on the levee due to the weather.
3. The fence at Homewood Suites was damaged by a District contractor. The contractor has paid the cost to repair the fence.
4. Winterization of the fountain and irrigation is complete.
5. The District will receive approximately 150 trees from Trees of Houston in January.

The Board then discussed a splash pad.

Upon motion duly made and seconded, the Board voted unanimously to approve the Landscape Architect's Report, and to place grass on the Levee as necessary.

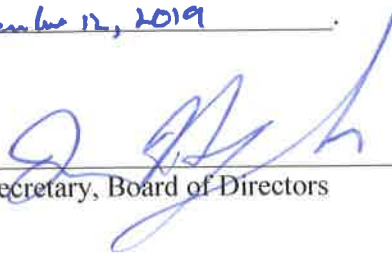
**AUDIT FISCAL YEAR DECEMBER 31, 2019**

Consideration was then given to engaging an auditor for fiscal year ending December 31, 2019. The Board recognized Mr. Eyring, who submitted to and reviewed with Board a proposed Letter of Engagement for fiscal years ending December 31, 2019 and December 31, 2020. He estimated a cost of \$10,950 to perform the audit for fiscal year ending December 31, 2019.

CPA, PLLC to perform the audit for fiscal years ending December 31, 2019, and December 31, 2020.

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

PASSED, APPROVED and ADOPTED this December 12, 2019.

  
Secretary, Board of Directors