

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

January 10, 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 January 10, 2019, whereupon the roll was called of the members of the Board, to-wit:

Jason Williams	President
Shane Holman	Vice President
Tracy Wilkerson	Secretary
Michael Lopez	Assistant Secretary/Assistant Vice President
Kenny Boeckelman	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

Also attending the meeting were Jeff Conti, director with Northgate Crossing Municipal Utility District No. 2 (“NG2”); Jim Hellrich, resident of the District; Sargent Bren Ballard with Harris County Precinct 4, Jeremy Roach with Apollo IT Consulting, LLC (“Apollo”) via conference call; Patti Mace 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; Paul Anderson with Edminster Henshaw Russ & Associates (“EH”), Engineer for the District; Christina Perry with Myrtle Cruz, Inc. Bookkeeper for the District; Juan Montano with Inframark, Inc. (“Inframark”), Operator for the District; Brent Ballard with Harris County Precinct 4 Constables Office; 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 who wished to address the Board at this time.

**PEACE OFFICER’S REPORT/CONTRACT**

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

Upon motion duly made and seconded, the Board voted unanimously to approve the Peace Officer’s Report, and to approve the Peace Officer Contract for 2019.

### **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 29.959% of its 2018 taxes.

Upon motion duly made and seconded, the Board voted unanimously (i) to approve the Tax Assessor/Collector's Report, and (ii) to 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.

### **STATUS REPORT FROM SALES REVENUE INC. ("SRI")**

The Board noted that Mr. Fortner was unable to attend the meeting, and that he will attend the February meeting to update the Board on the collection of sales tax.

### **ATTORNEY'S REPORT**

The Board recognized Ms. Parker, who presented the Attorney's Report.

### **Approval of Minutes**

Proposed minutes of the meeting of the Board held on December 13, 2018, 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 December 13, 2018, 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.

**Bond Election**

The Board agreed to reconsider calling a bond election for November at the meeting in July.

**Resolution Regarding Eminent Domain**

Consideration was next given to a proposed Resolution Regarding Eminent Domain.

Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution Regarding Eminent Domain, a copy of which is on file in the official records of the District.

**ENGINEER’S REPORT**

The Board recognized Mr. Anderson, 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. It was noted that there is a sink hole on the southwest corner of the pump station.

**Storm Station Rehabilitation Project Phase 2**

The final inspection of the rehabilitation of the Storm Station has been conducted; and all deficiencies have been corrected. The project is operational. Pay Estimate No. 4 and Final in the amount of \$56,561.90 was presented for approval. The Board agreed to defer payment pending Gemini resolving the issue with the locks on the gates at the Storm Station.

**Levee Inspection Report**

Freese and Nichols (“FN”) conducted an inspection of the levee and pump station on November 29, 2018. The levee and pump station are in good condition. A minor sink hole was detected. The Board noted that Inframark was authorized to repair the sinkhole at the December meeting.

**Bond Election**

EHRA will prepare a project and cost estimate for the bond election, if and when, the Board decides to call a bond election.

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 111.91%.
- ii. There are 411 active connections in the District.
- iii. There was one accounts finalized with a balance under \$25, and three accounts finalized with a balance greater than \$25.
- iv. There were no excursions at the wastewater treatment plant.
- v. There are 32 accounts on the water termination list.
- vi. The siren has been received and will be installed and tested. A lock will be installed on the siren to prevent inadvertently punching the button to sound the siren.

The Board agreed to install a desk at the Storm Pump Station.

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, (4) install a lock on the siren, and (5) to purchase a desk for the Storm Station.

**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**

Mr. Roach then updated the Board on the website and Office 365.

**LANDSCAPE ARCHITECT REPORT/PARK RANGERS LEVEE MAINTENANCE REPORT**

In the absence of Mr. Murr, Mr. Montano presented the Landscape Architect's Report.

It was noted that:

1. Inframark received a proposal of \$2,900 to paint the storage units.
2. The lake fountain light has been repaired.
3. It will cost approximately \$5,000 to replace the boulders around the lake.
4. The electrical issue on the lake fountain has been resolved.
5. There is erosion at the outfall channel into the lake.
6. Work is in progress for the lighting plan for 2019.
7. The trees from Trees of Houston will be delivered on or about February 14, 2019.

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

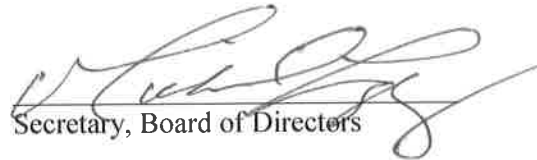
#### **PROPOSALS FOR EMERGENCY ACTION PLAN**

The item was discussed un the Attorney's Report.

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

PASSED, APPROVED and ADOPTED this 2/14/19.

  
Secretary, Board of Directors