

**MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS**

**THE STATE OF TEXAS** §  
**COUNTY OF HARRIS** §  
**NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 23** §

The Board of Directors of Northwest Harris County Municipal Utility District No. 23 met in regular session, open to the public, at its regular meeting place outside the boundaries of the District on April 10, 2019; whereupon, the roll was called of the members of the Board of Directors, to-wit:

B.A. Benson	President
Victoria Hawkins	First Vice President
Lenora Flores	Second Vice President
Earlinda Trujillo	Secretary
Dan Young	Assistant Secretary

All members of the Board of Directors were present except Director Benson.

Also present were Chris Richardson, attorney, and Kristen McGrady, legal assistant, of Strawn & Richardson, P.C.; Michelle Guerrero of Bob Leared Interests; Christina Cole of Myrtle Cruz, Inc.; Mike Potter of Hays Utility South Corporation; and Jon Strange of JNS Engineers, LLC.

*WHEREUPON*, evidence was presented that public notice of the meeting was given in compliance with the law, and the Vice President called the meeting to order.

1. The first item to come before the Board was the approval of the minutes of the meeting of March 22, 2019. Following further discussion, it was moved by Director Flores and seconded by Director Trujillo that the minutes of the meeting of March 22, 2019 be approved, which motion carried unanimously.

2. Michelle Guerrero presented the tax assessor-collector's report, a copy of which is attached as Exhibit "A". The report indicated the District has collected 91.038% of its 2018 taxes and 99.164% of its 2017 taxes as of March 31, 2019.

Following a review of the report, it was moved by Director Young and seconded by Director Trujillo that the tax assessor's report for March be approved, and that the checks as listed on said report be approved, which motion carried unanimously.

3. Mike Potter presented the monthly operations report, a copy of which is attached as Exhibit "B". Mr. Potter reported there were 1,294 connections in the District, and the District accounted for 95.14% of the water pumped. Mr. Potter noted the surface water usage was 85.69%. He informed the Board the sewage treatment plant was compliant with the permit.

Mr. Potter stated 169 termination notices were sent and 20 accounts were cut off. Of those, two remain terminated.

Following further discussion, it was moved by Director Trujillo and seconded by Director Young that the operator's report be approved as presented, which motion carried unanimously.

4. The Board next considered amending the Rate Order. The Board tabled this item.

5. The Board next reviewed the District's Identity Theft Prevention Program. Mr. Richardson stated the operator indicated there are no changes needed. Mr. Richardson presented the Order Reviewing and Confirming Identity Theft Prevention Program for the Board's approval, a copy of which is attached as Exhibit "C".

Following further discussion, it was moved by Director Trujillo and seconded by Director Flores that the Order Reviewing and Confirming Identity Theft Prevention Program be approved, which motion carried unanimously.

6. The Board reviewed the Emergency Preparedness Plan. Mr. Richardson presented for approval the Order Reviewing Emergency Preparedness Plan and Authorizing Submittal of Critical Load Information, a copy of which is attached as Exhibit “D”. Mr. Richardson recommended the Board authorize the operator to update the critical load information with its electrical transmission and retail providers.

Following further discussion, it was moved by Director Flores, seconded by Director Trujillo and unanimously carried that the Order Reviewing Emergency Preparedness Plan be approved, and to authorize the operator to update the critical load information with its electrical transmission and retail providers.

7. The Board reviewed the District’s Drought Contingency Plan. Mr. Richardson explained the Texas Administration Code requires five year updates so the District will need to review and confirm the Drought Contingency Plan by May 1, 2019. On motion by Director Trujillo, seconded by Director Young, and unanimously carried, the Board reviewed and confirmed the Drought Contingency Plan, that of the Resolution Reviewing and Confirming Drought Contingency Plan, and Certification regarding same be approved, copies of which are attached as Exhibits “E” and “F”.

The Board next considered reviewing and confirming the Water Conservation Plan. Mr. Richardson stated the operator and engineer do not recommend any changes.

Following further discussion, it was moved by Director Trujillo and seconded by Director Young that the Resolution Reviewing and Confirming Water Conservation Plan, and Certification regarding same be approved, copies of which are attached as Exhibits “G” and “H”, which motion carried unanimously

8. Christina Cole presented the bookkeeper's report with a list of bills for payment and the monthly investment report, a copy of which is attached as Exhibit "I".

Following further discussion, it was moved by Director Trujillo and seconded by Director Young that the bookkeeper's report be accepted as presented, and that checks be issued for the expenses as listed on the attached Exhibit "I", which motion carried unanimously.

9. Ms. Cole presented for the Board's review a draft of the budget for fiscal year ending May 31, 2020. The Board tabled this item.

10. The developer's report was not presented at this time.

11. Jon Strange presented the engineer's report, a copy of which is attached as Exhibit "J".

Mr. Strange discussed the Wastewater Treatment Plant 2017 project. He stated the Joint Wastewater Treatment Plant meeting is scheduled for April 29, 2019.

Mr. Strange informed the Board the District will need to purchase 130,000 gallons per day of Wastewater Treatment Plant capacity for future development needs.

Mr. Strange discussed the Wastewater Collection System. He recommended the operator perform the point repairs in budget year 2020. He stated approximately 3000 feet of sanitary lines will be CIPP lined. He further stated he will prepare a proposal for engineering services in June for the project.

Mr. Strange discussed Water Plant No. 1. He reported the 12-inch water line is scheduled for bidding this Friday and the generator will be delivered in June.

Mr. Strange reviewed the bids for Water Plant No. 2, Phase 1. He reported the low bidder was W.W. Payton, with a bid of \$2.2 million. Mr. Strange explained this amount is above the budgeted amount in the Series 2018 Bonds and he discussed options to reduce the costs. Mr. Strange

recommended the Board approve Option 2. He added that all of the options include a generator. The Board approved Option 2 and discussed funding the difference between the total project cost and the amount in the previous bond issue. The Board stated it would like to discuss the project with the financial advisor in relation to the upcoming bond issue, as a possible source for the additional funds.

Mr. Strange discussed the Walters Road Improvements. He stated he is waiting to hear from Harris County regarding the drainage swales.

Mr. Strange stated he will update the Strategic Plan with the items discussed at last week's special Board meeting.

Mr. Strange reported the water and sanitary services are available as of March 29, 2019 for the 80- acre Spring ISD site.

Following further discussion, it was moved by Director Trujillo and seconded by Director Young to approve the engineer's report, and to award the Water Plant No. 2, phase I contract to W.W. Payton, the low bidder, and to approve Option 2 for the Water Plant No. 2, Phase 1 project, which motion carried unanimously.

There being no further business, and upon a motion by Director Flores, seconded by Director Trujillo and unanimously carried, the meeting was adjourned.

*PASSED, APPROVED and ADOPTED* this 8th day of May, 2019.



  
Secretary