

**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 June 12, 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.

Also present were Chris Richardson, attorney, Stephanie Nagel, Kristen McGrady and Susan McGrady, legal assistants, of Strawn & Richardson, P.C.; Michelle Guerrero of Bob Leared Interests; Christina Cole of Myrtle Cruz, Inc.; Howard Wilhite of Hays Utility South Corporation; Jon Strange of JNS Engineers, LLC.; Christina Crotwell of Masterson Advisors, LLC; Megan Crutcher of Odyssey Engineering Group; and Jennie Trapolino of Academy Development.

WHEREUPON, evidence was presented that public notice of the meeting was given in compliance with the law, and the 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 May 8, 2019. Following further discussion, it was moved by Director Flores and

seconded by Director Trujillo that the minutes of the meeting of May 8, 2019 be approved, which motion carried unanimously.

2. The Board considered approval of the amendment to the Storm Water Solutions contract. The Board tabled this item.

3. 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 92.48% of its 2018 taxes and 99.39% of its 2017 taxes as of May 31, 2019.

Ms. Guerrero reported the District's 2019 Preliminary Value is \$155,392,383, which is a 6% increase from the previous year. She added that the value currently does not include Silver Springs, Section Two.

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

4. Howard Wilhite presented the monthly operations report, a copy of which is attached as Exhibit "B". Mr. Wilhite reported there were 1,292 connections in the District, and the District accounted for 92.6% of the water pumped. Mr. Wilhite noted the District is on the interconnect with NWHC 21 and NWHC 22 while Water Plant No. 1 is under rehab. He informed the Board the sewage treatment plant was compliant with the permit.

Mr. Wilhite stated 180 termination notices were sent and 34 accounts were cut off. Of those, six 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.

5. Megan Crutcher presented the Developer's Report for the Board's review, a copy of which is attached as Exhibit "C". She discussed the water, sewer and drainage in Silver Springs, Section Two. Ms. Crutcher presented for approval Pay Estimate No. 1 and Final, in the amount of \$8,100, for the D-Inlet installation. She informed the Board at the last meeting the Board authorized the transfer of the Storm Water Quality Permit for Silver Springs, Section Two into the District's name. Ms. Crutcher presented the form for the Board's signature.

Ms. Crutcher reported the plans for Richey Road have been approved by the City of Houston and Harris County.

Ms. Crutcher informed the Board the preliminary plat for Silver Springs, Section Three has been approved. She stated they are awaiting comments and approval from the District.

Ms. Crutcher reported they are providing information to the District's engineer for Bond Application No. 7.

Following further discussion, it was moved by Director Flores and seconded by Director Trujillo that the developer's report be approved, that Pay Request No. 1 and Final for the D-Inlet installation be approved, and to authorize execution of the form for the transfer of the Storm Water Quality Permit for Silver Springs, Section Two into the District's name, which motion carried unanimously.

6. 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 "D".

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 "D", which motion carried unanimously.

7. Christina Crotwell discussed Bond Application No. 7. She stated the District's Estimate of Value, as of May 1, 2019, is \$167,000,000. Ms. Crotwell presented a Cash Flow Analysis for the Board's review. She discussed the District reallocating \$0.07 of the tax rate for maintenance and operations and moving it to the debt service tax rate. The engineer, bookkeeper and attorney discussed the re-allocation of funds between current and future bond issues, which avoided the need to reimburse the operating fund from future bond proceeds.

Jon Strange presented the engineer's report, a copy of which is attached as Exhibit "E". Mr. Strange discussed the Wastewater Treatment Plant 2015 project. He stated the contractor has presented Pay Estimate No. 21 for approximately \$96,210.00 and the District's share is \$29,825.10.

Mr. Strange discussed the Lift Station No. 1 Electrical Rehabilitation project. He presented a proposal for engineering services, in the amount of \$32,000.00, and he requested authorization to prepare plans and specifications.

Mr. Strange next discussed the Wastewater Collection System. He presented a proposal for engineering services in the amount of \$25,000.00, for the 2019-2020 CIPP lining of the Sanitary Sewer and coordination of the point repairs. Mr. Strange also presented a proposal for engineering services, in the amount of \$59,000.00, to prepare the plans and specifications for the televising and cleaning of the Sanitary Sewer 2019-2020 Phase 3.

Mr. Strange presented for approval Pay Estimate No. 1 from W.W. Payton, in the amount of \$285,750.00, for the Water Plant No. 2, Phase 1. He requested to hold Pay Estimate No. 1. Mr. Strange also presented for approval Change Order No. 1 from W.W. Payton for Water Plant No. 2, which is a \$62,000 decrease in the contract.

Mr. Strange presented for approval Pay Estimate No. 2 from W.W. Payton, in the amount of \$150,187.50, for the Motor Control Replacement and additional Booster Pump at Water Plant No. 1. He also presented for approval Change Order No. 1 for a \$9,000.00 change in the contract.

Mr. Strange next presented for approval Change Order No. 1 from W.W. Payton for the generator at Water Plant No. 1 which resulted in no increase to the contract price.

Mr. Strange presented contracts with G&A Boring Direccional, LLC, for Board signature for the 16-inch water transmission line to serve Water Plant No. 2 and for the 12-inch water distribution line.

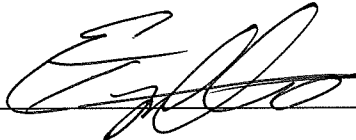
Mr. Strange discussed the Spring ISD 80-acre site. He reported the school should be complete by July 2019 and they anticipate completion of Water Plant No. 2 in September 2019.

Following further discussion, it was moved by Director Trujillo and seconded by Director Hawkins to approve the engineer's report, to approve the engineering proposal for the preparation of plans and specifications for the Rehabilitation of Lift Station No. 1, to approve the engineering proposal for the lining of the Sanitary Sewer and coordination of point repairs, to authorize the plans and specifications for the televising and cleaning of the Sanitary Sewer, to approve payment and hold Pay Estimate No. 1 for Water Plant No. 2, Phase 1 and to approve Change Order No. 2, to approve Pay Estimate No. 2 and Change Order No. 1 for the Motor Control Replacement and additional Booster Pump at Water Plant No. 1, and to approve Change Order No. 1 for the generator at Water Plant No. 1, 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 10th day of July, 2019.




Secretary

NW23/2019minutes/2019.06.12