

MINUTES OF MEETING OF THE
BOARD OF DIRECTORS

January 24, 2017

THE STATE OF TEXAS

COUNTY OF HARRIS

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 28

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The Board of Directors (the "Board") of Northwest Harris County Municipal Utility District No. 28 (the "District") met in regular session, open to the public, at 19903 Cypresswood Glen Drive, Spring, Texas 77388, the January 24, 2017, whereupon, the roll was called of the members of the Board of Directors, to-wit:

Anne Headley	-	President
Troy Zuckero	-	Vice President/Treasurer
Denean Bennett	-	Secretary
Patrick Donais	-	Assistant Secretary
Richard Doll	-	Director

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

Also present at the meeting were Vicki Busboom, the District's Bookkeeper; Vickey Sullivan with Equi-Tax, Inc., the District's Tax Assessor/Collector ("TAC"); Robb Clark with Hays Utility South Corporation, the District's Operator ("Operator"); Mark Adam with Bleyl & Associates, the engineers for the District; Sgt. Hodges of Harris County Precinct 4 Constables Office; Michelle Tsatsaronis, of Keller Williams Realty, the District's Realtor for the MUD house; and Samuel Johnson, attorney, and Beth Van Doren, paralegal, of Coats|Rose P.C., legal counsel for the District. Also present were Mark Dawson and Dwight Osteen, residents of the District.

WHEREUPON, the meeting was called to order at 4:37 p.m. The posted notice of the meeting is attached hereto as Exhibit "A".

HEAR FROM THE PUBLIC

Director Headley opened the floor to receive comments from the public. Mr. Osteen and Mr. Dawson introduced themselves. Mr. Dawson stated he was present to observe. Mr. Osteen stated he would like to submit his candidate application for the upcoming Director's Election.

HEAR WEBSITE REPORT

Address "Contact Us" questions/comments/concerns received on the District's website.

Director Bennett stated that the website had not received any "Contact Us" emails this month.

CONSTABLE'S REPORT

The Board recognized Sgt. Hodges who reviewed the December police report for the District, a copy of which is attached hereto as Exhibit "B". No action was taken on this agenda item.

APPROVAL OF MINUTES

The Board noted that the November minutes were distributed at the December meeting. Director Doll stated he was not ready to discuss and requested the Board defer action on this agenda item.

TAX ASSESSOR'S REPORT

Ms. Sullivan reviewed and discussed the TAC report, a copy of which is attached hereto as Exhibit "C". She reported that 31.5% of 2016 taxes have been collected as of December 31, 2016.

Following a discussion regarding the TAC's report, and based on a motion made by Director Doll, seconded by Director Zuckero the Board voted unanimously to accept

the tax assessor/collector's report, as presented and approve payment of the checks listed in the report.

Consider Amending Tax Assessor/Collector Contract

Finally, Ms. Sullivan presented an Amendment to the Tax Assessor/Collector Contract, a copy of which is attached hereto as Exhibit "C-1". She stated that the contract has not been amended since 1999. She requested a base increase of \$150.00 per month; a change in the contract name from Kenneth R. Bird to the company name, Equi-Tax Inc.; and an increase in fees charged for delinquent taxes from 15% to 20%. After further discussion, and based on a motion by Director Zuckero, which was seconded by Director Donais, the Board voted unanimously to accept the Amendment to the Tax Assessor/Collector Contract. Director Doll requested Ms. Sullivan provide him a copy of the amended contract at the next Board meeting.

BOOKKEEPER'S REPORT/AUTHORIZE PAYMENT OF DISTRICT'S BILLS

The Board recognized Ms. Busboom who presented the Bookkeeper's report for the period ending January 24, 2017 and checks were presented for approval. A copy of the Bookkeeper's report is attached hereto as Exhibit "D".

Next, Ms. Busboom updated the status of Director Headley's request to provide line items on the bookkeeper reports that reflect Klein ISD billing broken down into categories consisting of repairs, actual water and sewer and general expenses. Ms. Busboom and Mr. Clark stated that they are still working together to obtain the requested information for these ledger items.

Director Zuckero noted the he and Ms. Busboom were continuing to separate the wall related expenses from other expenses. He stated that the original budgets for 2014, 2015 and 2016 did not distinguish "wall" expenses. While the District's

consultants continue to break out previous expenses, the current expenses are separated.

Following discussion of the Bookkeeper's report, upon a motion by Director Zuckero, second by Director Doll, the Board voted unanimously to approve the Bookkeeper's report and approve payment of the remainder of the checks listed therein.

RECEIVE REPORT FROM DIRECTOR ZUCKERO

Hear update on house repairs and sale of house

The Board recognized Ms. Tsatsaronis who stated that the MUD house is expected to close on February 14, 2017, a copy of the Estimated Master Statement is attached hereto as Exhibit "E". She presented the bookkeeper with checks she had received for various furnishings purchased from the house. Director Donais stated that he wanted it to go on record that he had not received any input regarding outstanding furnishings at year end. He thought that whatever was left in the house on December 31, 2016 would become his responsibility.

It was further noted that the buyer will be living in the house and will be taking a credit for the flooring.

Director Zuckero proposed that proceeds from the sale of the house be used for:

- a.) Give back to the community;
- b.) \$100,000 to HOA for facility upgrades; and
- c.) \$50,000 to bolster District reserves.

Next, the Board reviewed the Property Inspection Report, a copy of which is attached hereto as Exhibit "F". The Board reviewed the report and after further discussion and based on a motion by Director Zuckero, seconded by Director Donais, the Board voted unanimously to approved the following repairs: i.) attic stairs; (ii)

insulation around all recessed lights; (iii) missing door stops; (iv) broken window spring; (v) seal fireplace starter wand; (vi) seal drill holes used for termite treatment in slabs; (vii) all electrical issues; (ix) heating, ventilation and air-conditioning system repairs; (x) plumbing shut-off valves in master bathroom and guest bathroom; (xi) drains, wastes and vents; (xii) water heating equipment; (xiii) exposed exterior gas piping; (xiv) dishwasher drain; (xv) dryer exhaust systems; and (xvi) landscape irrigation anti-siphon device.

Finally, Ms. Tsatsaronis stated that she had someone interested in the computer equipment for \$200.00.

Receive update regarding meeting facility at Meadowhill

Director Zuckero stated that the attorneys, engineers and bookkeepers for the District and for Meadowhill are working together using a methodology of fairness and accuracy to resolve the outstanding balances; achieve a new contract; and determine a maintenance and repair schedule.

RECEIVE OPERATOR'S REPORT

The Board recognized Mr. Clark who presented the Operator's report for October. Mr. Clark updated the Board on operation matters in the District, including delinquent accounts. A copy of the Operator's report is attached hereto as Exhibit "G".

Next, Mr. Clark noted that Director Headley had asked him to research the HOA billings. After further review, he determined that the HOA had been overbilled by \$1,269.00. After further discussion and based upon a motion by Director Bennett, and seconded by Director Zuckero, the Board voted unanimously to refund the HOA \$1,269.00. Mr. Clark was instructed to research the bills back to 2012 when this billing process was put into place.

After further discussion and based upon a motion by Director Zuckero, which was seconded by Director Bennett, the Board voted unanimously to approve the Operator's Report.

RECEIVE ENGINEER'S REPORT

The Board recognized Mr. Adam who presented the Engineer's report, a copy of which is attached hereto as Exhibit "H".

Review Status of Wall Project

The Surveyor and geotechnical firms are proceeding with their work. The field surveying has been completed.

Hear Status of Outstanding Easements

Easements for two of the outstanding six commercial easements have been received. There are four residential easements outstanding.

After further discussion and based upon a motion by Director Donais, seconded by Director Bennett, the Board voted unanimously to approve the Engineer's Report.

ATTORNEY'S REPORT

Consider Adopting Order Calling Directors Election

The Board next considered adopting an Order Calling Directors Election and appointing Coats|Rose as agent for the election, a copy of which is attached hereto as Exhibit "I". Ms. Van Doren reviewed and discussed the process of calling an election and the circumstances by which the District may cancel such election if the candidates to be listed on the ballot are unopposed. She noted that if an election is held, the date of the election will be May 6, 2017, and pointed out that Directors Headley and Donais have terms expiring May, 2017. It was noted that the District will contract with Harris County to conduct the Election. She further explained that Harris County will notify the

District once election locations have been determined. This will be based on the number of election requests Harris County has in this area.

Following review and discussion, and based on a motion by Director Donais and seconded by Director Zuckero, the Board voted unanimously to adopt the Order Calling Directors Election and approve the appointment of Coats|Rose as agent for the election.

Additional Director Applications were left with the District Secretary and Director Doll.

There being no further business to come before the Board, and based on a motion duly made and seconded, the meeting was adjourned.

PASSED, APPROVED and ADOPTED this 28th day of February, 2017.

(DISTRICT SEAL)




Secretary, Board of Directors