

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

JANUARY 23, 2018

STATE OF TEXAS                               §  
   §  
COUNTY OF HARRIS                         §  
   §  
NORTHWEST HARRIS COUNTY               §  
MUNICIPAL UTILITY DISTRICT NO. 28     §

The Board of Directors (the "Board") of Northwest Harris County Municipal Utility District No. 28 (the "District"), noticed a regular session, open to the public, to be held at 6:30 p.m., on Tuesday, January 23, 2018, at 20811 Normandy Forest Drive, Spring, Texas 77388, a designated meeting place located inside the boundaries of the District. Whereupon, at 6:30 p.m., the roll was called of the members of the Board, to-wit:

- |                      |   |                     |
|----------------------|---|---------------------|
| E. Dwight Osteen, II | - | President           |
| Thomas Pratt         | - | Vice President      |
| Richard C. Doll      | - | Secretary           |
| Denean A. Bennett    | - | Assistant Secretary |
| Troy Zuckero         | - | Assistant Secretary |

All members of the Board were present, thus constituting a quorum. Copies of the notices are attached hereto.

Also present at the meeting were Vicki Busboom, Bookkeeper for the District; Austen Beck of Bleyl & Associates ("Bleyl"), Engineers for the District; Cindy Oliver of Equi-Tax, Inc, ("Equi-Tax"), Tax Assessor for the District; Robb Clark of Hays Utility ("Hays"), Operators for the District; Jan Bartholomew of R.W. Baird ("Baird"), Financial Advisors for the District; Deputy Ketrick McCutcheon and Sgt. William Colley, Deputy Constables with Harris County Precinct 4; and Ryan LaRue and Deidra Daniels (paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorneys for the District. Also attending a portion of the meeting was resident Scott Smith.

## **BOND SALE**

### **Receipt of Bids and Award of Sale of Bonds**

Consideration was given to the receipt of bids for the Bonds. The Board recognized Ms. Bartholomew, who informed the Board that four bids were received. Ms. Bartholomew submitted to and reviewed with the Board a bid comparison, a copy of which is attached hereto, and further reviewed the bids that had been received for the sale of the Bonds.

The bids were as follows:

<b><u>Bidder</u></b>	<b><u>Net Effective Interest Rate</u></b>
Raymond James & Associates, Inc.	3.483818%
SAMCO Capital Markets, Inc.	3.509551%
George K. Baum & Co.	3.536167%
RBC Capital Markets	3.565937%

Ms. Bartholomew recommended that the Board accept the bid submitted by Raymond James & Associates, Inc., as it was the low bidder with a net effective interest rate of 3.483818%.

Upon motion by Director Doll, seconded by Director Zuckero, and after full discussion, the Board voted unanimously to accept the bid on the Bonds submitted by Raymond James & Associates, Inc., as it was the low bidder with a net effective interest rate of 3.483818%.

### **Approval and Authorization of Documents in Connection with the Issuance of the Bonds**

Mr. LaRue then presented to the Board the following documents in connection with the sale of the Bonds:

- a. Order Authorizing Issuance of the Bonds;
- b. Order Approving Official Statement;
- c. General Certificate;
- d. Signature Identification and No Litigation Certificate;
- e. Tax Exemption Certificate;
- f. Closing Certificate of President;
- g. Bond Registrar, Paying Agency, and Transfer Agency Agreement;
- h. DTC Blanket Issue Letter of Representation;
- i. Letters addressed to Attorney General of Texas and Sanford Kuhl Hagan Kugle Parker Kahn LLP regarding dating of the Signature Identification and No Litigation Certificate and the General Certificate and Letter to the Comptroller regarding delivery of the Initial Bonds;
- j. Rule 15c2-12 Certificate;
- k. IRS Form 8038-G; and

- I. Other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas.

Mr. LaRue provided an explanation of each of the bond sale documents:

(a) the Order Authorizing Issuance of the Bonds is the contract between the District and the bondholders and provides, among other things: (1) the legal authority for the District to issue the Bonds; (2) the interest rates on the Bonds; (3) the District's obligation to levy ad valorem taxes to pay the principal and interest due on the Bonds; (4) the designation of the Paying Agent/Registrar for the Bonds; and (5) the covenant by the Board to maintain the tax exempt status of the Bonds. Mr. LaRue further stated that additional revisions may be made to the Bond Order as directed by the Attorney General's office;

(b) the Order Approving the Official Statement, explaining that relevant information from the sale of the Bonds will be included in the Official Statement prior to its printing. He further stated that the Official Statement will be provided by the Underwriter to prospective purchasers of the Bonds;

(c) the General Certificate, explaining that this Certificate provides a brief history of the District, including the directors and terms of office, information on previous bond sales, current tax rate, and the District's current assessed valuation;

(d) the Signature Identification and No-Litigation Certificate, explaining that said Certificate represents that there is no litigation pending against the District affecting the Bonds and that the signatures of the President and Secretary are genuine;

(e) the Tax Exemption Certificate, explaining that this Certificate will be drafted and dated the day of closing on the sale of the Bonds. Mr. LaRue further stated the Certificate states that, in addition to other facts, the District has met certain conditions pursuant to the Internal Revenue Code of 1986, which allows the Bonds to be qualified as tax exempt obligations;

(f) the Closing Certificate of President, explaining that Director Osteen will execute this Certificate which states that (i) the District has complied with the terms and conditions of the Order

Authorizing Issuance of the Bonds; (ii) there is no pending or threatened litigation which would affect the District and/or the issuance, sale, and delivery of the Bonds; (iii) the Order Authorizing the Issuance of the Bonds has not been amended without Raymond James & Associates, Inc.'s approval; and (iv) there have been no adverse changes in the District's financial condition since December 31, 2016, the most current audited period;

(g) the Agreement with Regions Bank, as Paying Agent/Registrar for the Bonds, explaining that this Agreement provides that all tax exempt municipal bonds are required to be fully registered with registry books maintained by a registrar on behalf of the District. The books reflect the names, addresses, and principal amounts of bonds registered in the name of the owner. Mr. LaRue further explained that the Agreement sets forth the duties, responsibilities, and fees involved for maintaining this information and transferring to owners;

(h) the letter to the Attorney General for the State of Texas, explaining that the letter authorizes the dating of the General Certificate and the Signature Identification and No Litigation Certificate as of the date of the Approving Opinion for the Bonds; the letter to the Comptroller of Public Accounts which authorizes the Comptroller of Public Accounts to deliver the bonds to Sanford Kuhl Hagan Kugle Parker Kahn, LLP once they are approved by the Attorney General and registered; and the letter to Sanford Kuhl Hagan Kugle Parker Kahn, LLP which authorizes the dating of the General Certificate, the Signature Identification and No Litigation Certificate, and the Certificate as to Tax Exemption and provides that the District will immediately notify Sanford Kuhl Hagan Kugle Parker Kahn, LLP if any of the facts contained in those documents change prior to the date of closing and delivery of the bonds;

(i) the Rule 15c2-12 Certificate in connection with the issuance of the Bonds, explaining that the purpose of this Certificate is to enable the Underwriter for the Bonds to comply with the Securities Exchange Act of 1934 in connection with the offering and sale of the Bonds;

(j) the IRS Form 8038-G, explaining that this form provides information about the Bonds to the IRS for record keeping purposes; and

(k) other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas, explaining that once the Attorney General's office has received and reviewed the completed Transcript of Proceedings for the Bonds, it is likely it will request additional information and/or documents. Mr. LaRue requested the Board's authority to prepare and have executed any requested documents or amendments to the existing documents.

Upon motion by Director Doll, seconded by Director Zuckero, and after full discussion, the Board voted unanimously to adopt and authorize execution of all of the foregoing documents.

Mr. LaRue noted that the proposed date for closing on the Bonds is February 22, 2018.

### **HEAR FROM PUBLIC**

The Board recognized Mr. Smith, who addressed the Board regarding his concerns about the District selling bonds and appropriating tax revenue to pay for the construction and maintenance of a perimeter wall, noting that, in his opinion, the duties of a MUD should not include wall construction and maintenance. Mr. Smith further stated that the wall benefited only those residents who lived on the perimeter of the District; however, all residents would have to pay for the wall.

The Board thanked Mr. Smith for his comments.

### **CONSTABLE'S REPORT**

The Board recognized Deputy McCutcheon, who updated the Board on calls/complaints originating in the District.

The Board noted that no action was necessary in connection with the Constable's Report.

The Board then considered the renewal of the contract with Harris County Precinct 4 for law enforcement services. Mr. LaRue noted that the cost of services would increase, effective March 1, from \$5,596/monthly to \$5,764/monthly.

Upon motion by Director Doll, seconded by Director Zuckero, and after full discussion, the Board voted unanimously to approve the contract with Harris County Precinct 4 for law enforcement services.

## **WEBSITE REPORT**

The Board recognized Director Bennett, who presented the Website Report for the period December 16, 2017, through January 14, 2018.

The Board noted that no action was necessary in connection with the Website Report. A copy of the Report is on file in the official records of the District.

## **ENGINEER'S REPORT**

The Board recognized Mr. Beck, who presented to and reviewed with the Board the Engineer's Report, a copy of which is on file in the official records of the District. Mr. Beck also noted that he had received notice from Terpstra & Associates that it intends to construct a commercial business on the 5.5 acre tract annexed into the District in 2004, and that Terpstra indicated that it had paid the District, in December 2004, the sum of \$66,900 for 30 water connections.

Upon motion by Director Doll, seconded by Director Zuckero, and after full discussion, the Board voted unanimously to approve the Engineer's Report, as submitted. The Board instructed Mr. LaRue to review the District's files in connection with the Terpstra annexation and commitment for 30 water connections.

## **TAX ASSESSOR-COLLECTOR'S REPORT**

The Board recognized Ms. Oliver, who presented to and reviewed with the Board the Tax Assessor-Collector's Report for December 2017, a copy of which is on file in the official records of the District. Ms. Oliver noted that the District's 2017 taxes were 87% collected, and that, for 2018, the District has 85 residents who have requested exemptions for over-65 or disabled, which is up from 78 residents in 2017.

Upon motion by Director Zuckero, seconded by Director ZuckPrattero, and after full discussion, the Board voted unanimously to approve the Tax Assessor-Collector's Report.

**BOOKKEEPER'S REPORT**

The Board recognized Ms. Busboom, who submitted to and reviewed with the Board the Bookkeeper's Report, invoices submitted for payment, and the Investment Report, copies of which are on file in the official records of the District.

Upon motion by Director Zuckero, seconded by Director Pratt, and after full discussion, the Board voted unanimously to approve the (1) Bookkeeper's Report; (2) payment of invoices; and (3) Investment Report.

**OPERATOR'S REPORT**

The Board recognized Mr. Clark, who submitted to and reviewed with the Board the Operator's Report, a copy of which is on file in the official records of the District.

Upon motion by Director Zuckero, seconded by Director Pratt, and after full discussion, the Board voted unanimously to approve the Operator's Report, and authorize termination of delinquent accounts

**SECURITY COMMITTEE'S REPORT**

No report was offered.

**CAPITAL IMPROVEMENT COMMITTEE'S REPORT**

The Board recognized Director Osteen who noted that the Capital Improvement Committee met Robert Robertson of Klein ISD. The Board then discussed various options to recover capital improvement costs, including amending the contract and raising water rates.

The Board noted that no action was necessary in connection with the Capital Improvement Committee's Report.

**APPROVAL OF MINUTES**

The proposed Minutes of the meetings of the Board held June 20, 2017, June 27, 2017, and January 4, 2018, previously distributed to the Board, were presented for consideration and approval.

Upon motion by Director Bennett, seconded by Director Pratt, and after full discussion, the Board voted unanimously to approve the Minutes of the meetings of the Board held June 20, 2017, June 27, 2017, and January 4, 2018, as submitted.

### **WALL REPORT**

The Board recognized Director Doll, who submitted to and reviewed with the Board a Wall Report and Action Program, a copy of which is on file in the official records of the District.

The Board noted that no action was necessary in connection with Director Doll's report.

### **ATTORNEY'S REPORT**

#### **Resolution Regarding Tax Exemptions for 2018**

Consideration was then given to a proposed Resolution Concerning Tax Exemptions for 2018.

Upon motion by Director Doll, seconded by Director Pratt, and after full discussion, the Board voted unanimously grant a \$25,000 over-65 or disabled exemption, and to approve the Resolution evidencing such decision. A copy of said Resolution is on file in the official records of the District.

#### **Resolution Implementing 20% Penalty on 2017 Delinquent Taxes**

Consideration was then given to a proposed Resolution Implementing 20% Penalty on 2017 Delinquent Taxes.

Upon motion by Director Doll, seconded by Director Pratt, and after full discussion, the Board voted unanimously to authorize a 20% penalty on 2017 real property taxes which are delinquent on July 1, 2018, and thereafter, and a 20% penalty on 2017 personal property taxes which are delinquent on April 1, 2018, and thereafter, and to approve the Resolution evidencing the same. A copy of said Resolution is on file in the official records of the District.



**ADJOURNMENT**

There being no further business to come before the Board, upon motion made, seconded, and approved unanimously, the meeting was adjourned.

PASSED, APPROVED, AND ADOPTED, this 27th day of February, 2018.

  
Secretary, Board of Directors

(SEAL)

**AGENDA**  
**NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 28**

Notice is hereby given that, pursuant to V.T.C.A. Government Code, Chapter 551, the Board of Directors of Northwest Harris County Municipal Utility District No. 28 will meet in regular session, open to the public, at 6:30 p.m., on Tuesday, January 23, 2018, at Normandy Forest Clubhouse, 20811 Normandy Forest Drive, Spring, Harris County, Texas 77388, at which meeting the following items will be considered and acted on:

**BOND SALE**

1. Review bids and consider awarding sale of Series 2018 Unlimited Tax Park Bonds (the "Bonds");
2. Approve and authorize execution of the following in connection with the issuance of the Bonds:
  - (a) Order Authorizing Issuance of the Bonds;
  - (b) Resolution Approving Official Statement;
  - (c) General Certificate;
  - (d) Signature Identification and No-Litigation Certificate;
  - (e) Tax Exemption Certificate;
  - (f) Closing Certificate of President;
  - (g) Bond Registrar, Paying Agency and Transfer Agency Agreement;
  - (h) Letters addressed to Attorney General of Texas and Sanford Kuhl Hagan Kugle Parker Kahn LLP regarding dating of the Signature Identification and No-Litigation Certificate and the General Certificate and Letter to the Comptroller regarding delivery of the Initial Bonds;
  - (i) Rule 15c2-12 Certificate;
  - (j) IRS Form 8038-G; and
  - (k) Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas.

**REGULAR MEETING**


1. Hear from Public (each speaker limited to 3 minutes);
2. Hear Website Report and take any action thereon, including: (5 minutes)
  - (a) discuss and take action on "Contact Us" questions/comments/concerns;
3. Hear Constable's Report and take any action thereon, including: (10 minutes)
  - (a) consider approving Interlocal Agreement for Law Enforcement Services;
4. Hear Engineer's Report and take any action thereon, including: (20 minutes)
  - (a) consider authorizing Engineer to proceed with the design of District facilities;
  - (b) consider approving plans and specifications of District facilities;
  - (c) consider authorizing Engineer to advertise for bids for District projects;
  - (d) consider and act on wall construction;
5. Hear Tax Assessor/Collector's Report, and take any action thereon, including: (10 minutes)
  - (a) consider approving payment of tax bills;
  - (c) consider candidates for write-off from delinquent tax roll;
6. Hear Bookkeeper's Report and take any action thereon, including: (10 minutes)
  - (a) consider approving payment of bills;
  - (b) consider approving Investment Report; and
  - (c) review Klein ISD balances for repair escrow and water/sewer usage;
7. Hear Operator's Report, and take any action thereon, including: (10 minutes)
  - (a) consider authorizing repairs to District facilities;
  - (b) consider authorizing maintenance to District facilities;
  - (c) consider approving termination of service to delinquent accounts;
8. Hear Security Committee's Report and take any action thereon; (10 minutes)
9. Hear Capital Improvement Committee's Report and take any action thereon; (10 minutes)
10. Consider approving Minutes of meetings held June 20, 2017; June 27, 2017; and January 4, 2018;
11. Hear Attorney's Report and take any action thereon, including:
  - (a) consider approving Resolution Concerning Tax Exemption for 2018; and
  - (b) consider approving Resolution Implementing 20% Penalty on 2017 Delinquent Taxes.

Pursuant to V.T.C.A. Government Code §551, the Board of Directors may convene in closed session in relation to any agenda item included in this Notice with such closed session to be held at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by V.T.C.A. Government Code Chapter 551, including but not limited to, private consultation with the District's Attorneys on any or all matters or subjects authorized by law, pending or contemplated litigation, personnel matters, real estate transactions, security devices, economic development negotiations and/or gifts and donations.

EXECUTED the 17th day of January, 2018.

NORTHWEST HARRIS COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 28



By:   
Ryan LaRue  
Sanford Kuhl Hagan Kugle Parker Kahn, LLP  
Attorneys for the District

1298629  
01/18/2018 PERSONAL  
\$9.00 MPF - NOTICE 1/17

**AGENDA**  
**NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 28**

Notice is hereby given that, pursuant to V.T.C.A. Government Code, Chapter 551, the Board of Directors of Northwest Harris County Municipal Utility District No. 28 will meet in regular session, open to the public, at 6:30 p.m., on Tuesday, January 23, 2018, at Normandy Forest Clubhouse, 20811 Normandy Forest Drive, Spring, Harris County, Texas 77388, at which meeting the following items will be considered and acted on:

**BOND SALE**

1. Review bids and consider awarding sale of Series 2018 Unlimited Tax Park Bonds (the "Bonds");
2. Approve and authorize execution of the following in connection with the issuance of the Bonds:
  - (a) Order Authorizing Issuance of the Bonds;
  - (b) Resolution Approving Official Statement;
  - (c) General Certificate;
  - (d) Signature Identification and No-Litigation Certificate;
  - (e) Tax Exemption Certificate;
  - (f) Closing Certificate of President;
  - (g) Bond Registrar, Paying Agency and Transfer Agency Agreement;
  - (h) Letters addressed to Attorney General of Texas and Sanford Kuhl Hagan Kugle Parker Kahn LLP regarding dating of the Signature Identification and No-Litigation Certificate and the General Certificate and Letter to the Comptroller regarding delivery of the Initial Bonds;
  - (i) Rule 15c2-12 Certificate;
  - (j) IRS Form 8038-G; and
  - (k) Such other documents and certificates necessary to obtain approval of the Bonds by the Attorney General of Texas.

**REGULAR MEETING**

1. Hear from Public (each speaker limited to 3 minutes);
2. Hear Website Report and take any action thereon, including: (5 minutes)
  - (a) discuss and take action on "Contact Us" questions/comments/concerns;
3. Hear Constable's Report and take any action thereon, including: (10 minutes)
  - (a) consider approving Interlocal Agreement for Law Enforcement Services;
4. Hear Engineer's Report and take any action thereon, including: (20 minutes)
  - (a) consider authorizing Engineer to proceed with the design of District facilities;
  - (b) consider approving plans and specifications of District facilities;
  - (c) consider authorizing Engineer to advertise for bids for District projects;
  - (d) consider and act on wall construction;
5. Hear Tax Assessor/Collector's Report, and take any action thereon, including: (10 minutes)
  - (a) consider approving payment of tax bills;
  - (c) consider candidates for write-off from delinquent tax roll;
6. Hear Bookkeeper's Report and take any action thereon, including: (10 minutes)
  - (a) consider approving payment of bills;
  - (b) consider approving Investment Report; and
  - (c) review Klein ISD balances for repair escrow and water/sewer usage;
7. Hear Operator's Report, and take any action thereon, including: (10 minutes)
  - (a) consider authorizing repairs to District facilities;
  - (b) consider authorizing maintenance to District facilities;
  - (c) consider approving termination of service to delinquent accounts;
8. Hear Security Committee's Report and take any action thereon; (10 minutes)
9. Hear Capital Improvement Committee's Report and take any action thereon; (10 minutes)
10. Consider approving Minutes of meetings held June 20, 2017; June 27, 2017; and January 4, 2018;
11. Hear Attorney's Report and take any action thereon, including:
  - (a) consider approving Resolution Concerning Tax Exemption for 2018; and
  - (b) consider approving Resolution Implementing 20% Penalty on 2017 Delinquent Taxes.

Pursuant to V.T.C.A. Government Code §551, the Board of Directors may convene in closed session in relation to any agenda item included in this Notice with such closed session to be held at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by V.T.C.A. Government Code Chapter 551, including but not limited to, private consultation with the District's Attorneys on any or all matters or subjects authorized by law, pending or contemplated litigation, personnel matters, real estate transactions, security devices, economic development negotiations and/or gifts and donations.

EXECUTED the 17th day of January, 2018.

NORTHWEST HARRIS COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 28



By: *Ryan LaRue*  
Ryan LaRue  
Sanford Kuhl Hagan Kugle Parker Kahn, LLP  
Attorneys for the District

*Stan Stewart*  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

2018 JAN 18 AM 9:38

FILED

CERTIFICATE OF POSTING OF NOTICE OF MEETING

THE STATE OF TEXAS §

HARRIS COUNTY §

NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 28 §

I, Marcia Steppelberg, the undersigned, hereby state that I posted the attached Notice of Meeting of the Board of Directors of Northwest Harris County Municipal Utility District No. 28 at 20811 Normandy Forest Dr., Spring, Texas, the location inside the boundaries of the District designated for the posting of agendas, on the 19<sup>th</sup> day of January, 2018 at 3:18 o'clock p.m., which time was not less than 72 hours prior to the scheduled time of the meeting.

  
(Name)

Date: 1-23-2018

**ATTENDANCE LIST**  
**Northwest Harris County MUD No. 28**

- ✓ E. Dwight Osteen, II (President)
- ✓ Thomas Pratt (Vice President/Treasurer)
- ✓ Richard C. Doll (Secretary)
- ✓ Denean A. Bennett (Asst Secretary)
- ✓ Troy Zuckero (Asst Secretary)

<b>Bookkeeper</b>		<b>Website – Off Cinco</b>	
Vicki Busboom	✓	Shannon Waugh	
<b>Engineer – Bleyl Engineering</b>		<b>Operator – Hays Utility</b>	
Mark Adams		Robb Clark	✓
<b>Auditor - Roth and Eyring</b>		<b>Constable</b>	
Mark Eyring		Deputy McCutcheon	✓
<u>Austen Beck</u>	✓	Sgt. Colley	✓
<b>Tax A/C – Equi-Tax</b>		<b>Attorney – SK Law</b>	
Vickey Sullivan		Ryan LaRue	✓
David Ferrier		<u>Deidra Daniels</u>	
<u>Cindy Oliver</u>	✓	<u>Jon Bartholomew</u>	✓

**NOTES:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

