

MINUTES  
NOTTINGHAM COUNTRY MUNICIPAL UTILITY DISTRICT

August 19, 2019

The Board of Directors (the “Board”) of Nottingham Country Municipal Utility District (the “District”) met in regular session, open to the public, on the 19<sup>th</sup> day of August, 2019, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Ronald E. Hudson	President
Vaughan Brown	Vice President
Alan Wiggins	Secretary
Vacant	Assistant Vice President
Dennis Moon	Assistant Secretary

and all of the above were present except Director Moon, thus constituting a quorum.

Also present for all or part of the meeting were Greg Lentz of Masterson Advisors, LLC; Brian Bare of Si Environmental, LLC (“Si Enviro”); Kelly Jurecek of Tax Tech, Inc.; Pamela Logsdon and Michelle McClintock of AVANTA Services; Teague Harris of IDS Engineering Group (“IDS”); Bob DeForest of KGA/DeForest Design, LLC (“KGA”); Wade Skelton, a District resident; and Christina Miller and Caroline Jones of Allen Boone Humphries Robinson LLP (“ABHR”).

PUBLIC COMMENTS

Director Hudson opened the meeting to receive public comments. No member of the public came forward to address the Board.

MINUTES OF PRIOR MEETING

The Board considered approval of the minutes of the District’s regular meeting held on July 15, 2019. Following review and discussion, Director Brown moved to approve the minutes of the July 15, 2019, regular meeting, as submitted. Director Wiggins seconded the motion, which passed unanimously.

APPOINTMENT OF NEW DIRECTOR

The Board next discussed the summary of qualifications received from Wade Skelton to be considered for possible appointment to the Board to fill the unexpired term of John “Jay” Wheeler. Following review and discussion, Director Brown moved to appoint Wade Skelton to the Board of Directors of the District. Director Wiggins seconded the motion, which was approved by unanimous vote.

SWORN STATEMENT, OFFICIAL BOND, AND OATH OF OFFICE

Ms. Miller reviewed the Sworn Statement, Oath of Office, and Official Bond for Director Skelton. After review and discussion, Director Brown moved that the Board accept the Sworn Statement, Oath of Office, and Official Bond and direct that the documents be filed appropriately and retained in the District’s official records, and that the Oath of Office be filed with the Secretary of State, as required by law. Director Wiggins seconded the motion, which passed by unanimous vote.

REORGANIZE BOARD

The Board considered reorganizing the Board of Directors. Following discussion, Director Brown moved to reorganize the Board as follows:

Ronald E. Hudson	President
Vaughan Brown	Vice President
Alan Wiggins	Secretary
Wade Skelton	Assistant Vice President
Dennis Moon	Assistant Secretary

Director Wiggins seconded the motion, which passed by unanimous vote.

OPEN MEETINGS ACT TRAINING REQUIREMENTS

Ms. Miller reviewed the memorandum regarding the Texas Open Meetings Act prepared by ABHR, a copy of which is attached.

CONFLICT OF INTEREST DISCLOSURE

Ms. Miller next reviewed a memorandum prepared by ABHR, a copy of which is attached, regarding the legislation enacting Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District and will need to be filed thereafter within seven days of a disclosable conflict arising. Ms. Miller reviewed the List of Local Government Officers. After review and discussion, Director Brown moved to approve and authorize execution of the List of Local Government Officers and direct that the List be filed appropriately and retained in the District’s official records. Director Wiggins seconded the motion, which passed by unanimous vote.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality (“TCEQ”), reflecting the terms of the newly appointed director and the reorganization of the Board. Following

review and discussion, Director Brown moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Logsdon presented the bookkeeper's report. Ms. Logsdon reviewed the written bookkeeper's report, including the budget comparison, schedule of investments, certificates of deposit expired and renewed, and checks presented for approval. Ms. Logsdon stated check number 10696 to D.L. Meacham ("Meacham") in the amount of \$25,793.82 is being held until further clarification regarding landscaping material is received by KGA. A copy of the bookkeeper's report is attached. Following review and discussion, Director Brown moved to approve the bookkeeper's report and authorize payment of all checks presented for payment, except that the check to Meacham should not be released until Mr. DeForest confirms that the necessary work was performed. Director Wiggins seconded the motion, which was approved by unanimous vote.

BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2020

Ms. Logsdon presented the attached proposed budget for fiscal year ending September 30, 2020. Discussion ensued, including revisions requested by the Board. No action was taken.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Jurecek distributed and reviewed the tax assessor/collector's report, including a list of checks presented for approval, a copy of which is attached. She noted that 99.18% of 2018 taxes have been collected as of August 19, 2019. Following review and discussion, Director Wiggins moved to approve the tax assessor/collector's report and payment of the tax bills. Director Brown seconded the motion, which passed unanimously.

DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Lentz distributed and reviewed a tax rate analysis, a copy of which is attached. The Board considered establishing a date for a public hearing on the adoption of the District's 2019 tax rate and authorizing publication of a notice of public hearing. Following review and discussion, Director Brown moved to authorize the tax assessor/collector to publish a notice in the Katy Times of a public hearing to be held by the District on September 16, 2019, at the offices of ABHR to consider adoption of a 2019 tax rate of \$0.34 per \$100 of assessed valuation, consisting of \$0.09 per \$100 of assessed valuation to provide for the District's debt service requirements and \$0.25 per \$100 of assessed valuation to provide for maintenance and operations. The motion was seconded by Director Hudson, which carried unanimously.

OPERATION OF DISTRICT FACILITIES AND CUSTOMER CORRESPONDENCE

Mr. Bare reviewed the operations report, a copy of which is attached. He generally reviewed operations and maintenance for the month. Mr. Bare reported 96% water accountability for the prior month. He reported that there were no violations at the wastewater treatment plant and no new connections. After review and discussion, Director Hudson moved to approve the operator's report. Director Wiggins seconded the motion, which passed unanimously.

CONDUCT HEARING ON TERMINATION OF WATER SERVICE

The Board conducted a hearing on the termination of water service. Mr. Bare reported that the customers included on the list of delinquent utility accounts presented to the Board were delinquent by more than 50 days and had been given written notice 10 days prior to this meeting of the opportunity to appear before the Board to explain, contest, or declare why their utility service should not be terminated for reason of nonpayment. After review and discussion, Director Brown moved to terminate the services for the customers on the list in 10 days if the customers' bills are not paid in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Wiggins seconded the motion, which was approved by unanimous vote.

ENGINEERING AND CAPITAL IMPROVEMENT PROJECTS

The Board received the engineer's report, a copy of which is attached.

WATER PLANT AND WELL NO. 1 FLOOD MITIGATION

Mr. Harris provided an update on the status of the water plant and well no. 1 flood mitigation projects. Mr. Harris stated that bids were received for construction of the Water Plant and Water Well No. 1 Mitigation Project. He recommended the Board award the contract to W. W. Payton Corporation ("W. W. Payton") in the amount of \$2,490,000.00. The Board concurred that, in its judgement, W.W. Payton was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Wiggins made the following motion: (1) based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificates of insurance and endorsements, if any, provided by the contractor, to award the contract for the Water Plant and Water Well No. 1 Mitigation Project to W. W. Payton in the amount of \$2,490,000.00. Director Skelton seconded the motion, which carried unanimously.

WELL NO. 2 FLOOD MITIGATION

Mr. Harris provided an update on the status of the Well No. 2 flood mitigation project.

WELL NO. 3 FLOOD MITIGATION

Mr. Harris provided an update on the status of the Well No. 3 flood mitigation project.

WASTEWATER TREATMENT PLANT (“WWTP”) FLOOD MITIGATION

Mr. Harris reported the design of the WWTP flood mitigation project remains on hold pending completion of the Well No. 3 flood mitigation project.

WWTP IMPROVEMENTS

Mr. Harris provided an update on the WWTP improvements. Mr. Harris recommended approval of Pay Estimate No. 26 in the amount of \$66,466.71, submitted by N&S Construction Company, LP (“N&S”), a copy of which is attached to the engineer’s report. After review and discussion, Director Brown moved to approve Pay Estimate No. 26 in the amount of \$66,466.71 to N&S, as recommended. Director Wiggins seconded the motion, which passed unanimously.

OFFSITE LIFT STATION FLOOD MITIGATION

There was no discussion on this matter.

SANITARY SEWER REHABILITATION PROGRAM

Mr. Harris provided an update regarding the sanitary sewer rehabilitation program.

DEEDS, EASEMENTS, CONSENTS TO ENCROACHMENTS, REQUEST FOR SERVICE OR UTILITY COMMITMENT LETTERS

There was no discussion on this matter.

DISTRICT CAPITAL IMPROVEMENT PLAN BUDGET UPDATE

Mr. Harris stated IDS is updating the Capital Projects Report.

GEOGRAPHIC INFORMATION SYSTEM

There was no discussion on this matter.

DETENTION POND MAINTENANCE MATTERS, INCLUDING MAINTENANCE AGREEMENT WITH KELLIWOOD LAKES HOMEOWNERS ASSOCIATION

There was no discussion on this matter.

Following review and discussion, Director Brown moved to approve the engineer's report. The motion was seconded by Director Wiggins and carried unanimously.

STATUS OF FEMA FUNDING

Ms. Miller stated one more payment to the District is anticipated from FEMA.

GREENBELT PARK AND GREENBELT NORWALK

Director Brown generally reported on maintenance matters related to Greenbelt Park and Greenbelt Norwalk.

PEDESTRIAN ACCESS AND CONNECTIVITY PROJECT (THE "SIDEWALK PROJECT"), INCLUDING PROJECT PARTNERSHIP WITH HARRIS COUNTY (THE "COUNTY")

Ms. Miller updated the Board regarding the status of the project partnership between the District and the County in connection with the Sidewalk Project. Ms. Miller stated the District is responsible for irrigation repairs resulting from the work performed in conjunction with the Sidewalk Project. The Board concurred to hire van Sant Landscape Management to perform the irrigation repairs on an as needed basis.

Ms. Miller stated ABHR will contact the County to get an update on possible funding for potential 2020 project partnerships. Discussion ensued regarding holding a Board meeting in the District in the spring of 2020 to update residents.

Mr. Harris noted the County's plan for removal of the existing Norwalk paving turnout at the Greenbelt Norwalk is attached to the engineer's report. He stated the County plans to remove the turn out pavement, the recessed storm sewer inlets, and the barricades and pour a straight concrete curb and add one storm sewer inlet.

GREENBELT NORWALK SIDEWALK IMPROVEMENTS AND REFLECTION GARDEN PROJECT

Mr. De Forest distributed and reviewed a Landscape Architect's Report, a copy of which is attached.

Mr. De Forest updated the Board on the construction of the Reflection Garden Project. He recommended approval of Pay Estimate No. 5 in the amount of \$14,962.03 submitted by Stone Castle Constructors, LLC ("Stone Castle"), a copy of which is attached to the landscape architect's report. After review and discussion, Director Brown moved to approve Pay Estimate No. 5 to Stone Castle in the amount of \$14,962.03, as recommended. Director Skelton seconded the motion, which passed unanimously.

Mr. De Forest updated the Board on the construction of the Greenbelt Norwalk Landscape Improvements. He reported two park use rules signs will be installed.

Following review and discussion, Director Wiggins moved to approve the landscape architect's report. The motion was seconded by Director Brown and carried unanimously.

PUBLIC POWER POOL ("PPP") TECHNICAL COMMITTEE

Director Hudson provided an update regarding the monthly meeting of the PPP Technical Committee.

FIVE YEAR ELECTRICITY CONSUMPTION ANALYSIS

There was no discussion on this matter.

EMERGENCY NOTIFICATION SYSTEM

There was no discussion on this matter.

DIRECTOR'S NOTEBOOK MATTERS

There was no discussion on this matter.

DISTRICT TECHNOLOGY AND INFORMATION MANAGEMENT MATTERS

Ms. Miller stated that the District will provide one iPad to Director Skelton to access the District's Sharepoint site to review Board reports. She noted ABHR will prepare a Tablet User Agreement for Director Skelton for consideration at the next Board meeting.

WEBSITE MATTERS

Mr. Harris stated IDS is updating the District map and the Capital Projects Report for posting on the District's website upon Board approval.

There being no further business to come before the Board, the meeting was adjourned.

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Secretary, Board of Directors

(SEAL)

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