

**NEWPORT MUNICIPAL UTILITY DISTRICT**  
Minutes of Meeting of Board of Directors  
February 19, 2018

The Board of Directors ("Board") of Newport Municipal Utility District ("District") met at 16703 Golf Club Drive, Crosby, Texas, on February 19, 2018, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

R. Gary Hasse, President  
Don Cox, Vice President  
Margarette Chasteen, Secretary  
David P. Guidry, Assistant Secretary  
Jim Hembree, Director

and the following absent:

None.

Also present were Christine Matzonkai, David Kasper, Andrea Martin, Richard Harcrow, Cullen Francis, Josh McKethan, and Nino Corbett.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. David Kasper presented an engineer's report, copy of which is attached. With regard to the IUOE facility, the developer requested that the District accept the water, sewer and drainage facilities, as well as the lift station. The attorney is drafting an agreement to accept the facilities, as well as an agreement for detention pond maintenance.

With regard to new development in the District, Rochester is working on the design of the 11-acre subdivision on Golf Club Drive across from the surface water treatment plant.

With regard to 2016 bond issue projects, work continues on rehabilitation of the ground storage tank. The water meter replacement project is underway, and plans are being advertised for bids for the Gum Gully crossing water distribution system improvements.

The engineer next discussed the purchase of generator. Taylor Power Equipment is preparing the submittal package for the District's review and approval. Once the full drawings and submittal package are received, the engineer will obtain a quote for installation from the operator's preferred installer.

Upon unanimous vote, the Board approved the engineer's report as presented.

2. The Board next reviewed the operations and maintenance report, a copy of which is attached. Josh McKethan reported on operations of the water system in the District. Ground water permitted through February 28, 2018 was 206 million gallons, and remaining ground water as of January 26, 2018 was 24.449 million gallons. Total ground water produced

was 11.118 million gallons, and total surface water was produced was 14.556 million gallons. Billed water was 22.292 million gallons with an accountability of 97%.

Josh McKethan reported on completed and pending work at the surface water treatment plant and water plants. Pending work at the surface water treatment plant includes repair of the hatch on the new ground storage tank, delivery and installation of a new backwash pump, automatic transfer switch installation, and replacement of the carbon pump. EFS needs to decommission the hydropneumatic tank, pull Backwash Pump No. 1 to diagnose problems, and repair wet well lighting and exposed wires. At Water Plant No. 1, the operator needs to complete rehabilitation of the ground storage tank.

Cullen Francis reported on the status of the wastewater system in the District, work completed at the wastewater treatment plant and District lift stations.

Rich Harcrow reported on the District work. There were 27 water leaks and main line repairs and five sewer back-ups and sewer line repairs. The operator responded to various miscellaneous call outs during the month.

Upon unanimous vote, the Board approved the operator's report.

3. Rich Harcrow then presented a report on District parks, a copy of which is attached. There was discussion regarding camera placement and coverage in the parks and Director Hasse requested that the operator obtain quotes for additional cameras.

Upon unanimous vote, the Board approved the District parks report.

4. Andrea Martin presented a billing and collections report, a copy of which is attached. There was no garbage report to present.

5. The Board tabled consideration of policies and procedures for implementation of emergency conditions and assessment of hazard pay until a future meeting.

6. The Board discussed groundwater reduction contracts.

7. Under pending business, Nino Corbett addressed the Board and discussed new construction in the District.

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

  
Secretary