

NEWPORT MUNICIPAL UTILITY DISTRICT
Minutes of Special Meeting of Board of Directors
February 1, 2019

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16703 Golf Club Drive, Crosby, Texas, on February 1, 2019, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Margarette Chasteen, President
DeLonne L. Johnson, Vice President
Deborah Florus, Secretary
Earl B. Boykin, Assistant Secretary
R. Gary Hasse, Director

and the following director absent:

None.

Also present were Rich Harcrow, Andrea Martin, Chad Rochester, Delilah Arolfo, and Lori G. Aylett, attorney for the District.

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

1. The Board discussed conveyance of an easement at the District’s water plant site. Chad Rochester addressed the Board. Originally, Rochester did not want to request an easement across its water plant site. Instead, Rochester planned to abandon the 16-inch water line and relocate it to avoid having to make any request of the District. The District operator began a review of these plans and expressed concerns to them about the proposed water line relocation. The design would require water to be shut off for many areas of Newport in excess of 24 hours to make the connection. If the existing water line could remain in the same location, the District would need to grant a sanitary sewer easement at the front of its water plant site to maintain separation between the lines. Delilah Arolfo recommended that the Board table the matter until the new District engineer can review the plans and make a recommendation to the Board. She stated that this was the District’s water plant site, and she was concerned at how far inside the plant site the easement would go and its proximity to ground storage tank. She did not feel comfortable making a recommendation to the Board without more input from the engineer. The Board informed Mr. Rochester that they were acting expeditiously to select a new engineer so that his project would not be delayed, and the Board members noted that they would not make a decision on the easement request at this time. Mr. Rochester thanked the Board for allowing him to make a presentation at the special Board meeting.

2. The attorney presented a resignation letter of IDS Engineering Group, a copy of which is attached. Director Johnson stated that before accepting the resignation, he wanted understand how the transition would work. The Board members noted that it would be important to earmark work that relates to FEMA that may be able to be reimbursed. The Board asked that the attorney request that the engineer provide more clarification on invoices so that

they may assigned to FEMA for reimbursement. After discussion, upon unanimous vote, the Board accepted the resignation of IDS.

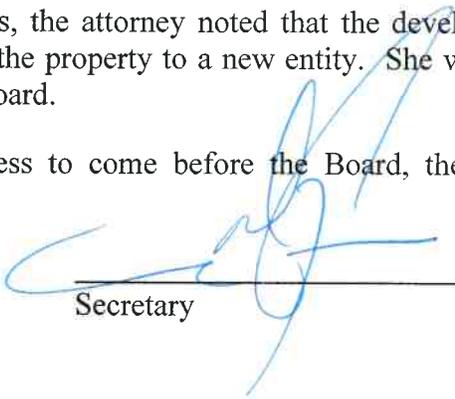
3. The Board noted the need to review pending engineering projects and establish a transition plan. The operator reviewed with the Board an extensive list of pending items relating to the engineering work. The operator will file an extension with FEMA for the mitigation projects. With regard to the generator platform, IDS submitted information to the operator on January 16, 2019, but the operator has not yet uploaded it into the FEMA portal. There appears to be an encroachment on top of a power line easement, and the operator wants to get advice from the new engineer before uploading these plans. Everything else relating to the FEMA work was conceptual in nature.

The engineer had reported that they were very close to advertising for bid for the inflow and infiltration work. The Board asked the attorney to get information on the scope of work in the bid package. The Board reviewed the pending action item list in detail, and a copy of list is attached.

At the conclusion of the discussion, the Board agreed to obtain statements of qualifications from LAN, LJA, and Cobb Fendley and invite them to interview at the special Board meeting on February 15, 2019.

4. Under pending business, the attorney noted that the developer of Harris County MUD 525 is negotiations for sale of the property to a new entity. She will continue to monitor these negotiations and report to the Board.

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



Secretary